

HOUSE OF REPRESENTATIVES—Friday, May 10, 1996

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. ROGERS].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
May 10, 1996.

I hereby designate the Honorable HAROLD ROGERS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, gracious God, that we will be wise custodians of the gifts that You have made available to us and to all people. Whether we be young or old and whatever our background or history, whether we have great responsibilities or have power and influence, remind each of us that we are to use our gifts in ways that promote justice and righteousness in the land and peace and freedom in all the world. Remind us that all our gifts are from above and we are to be wise stewards and guardians of all the riches we have received, using these gifts so that in all things we do justice, love mercy, and ever walk humbly with You. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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.

Mr. SOLOMON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

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

Mr. SOLOMON. 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. Pursuant to clause 5 of rule I, further pro-

ceedings on this question are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. CHABOT] come forward and lead the House in the Pledge of Allegiance.

Mr. CHABOT led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minute speeches on each side.

REPUBLICAN PARTY RESPECTS WOMEN

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

Mrs. FOWLER. Mr. Speaker, in this Republican-controlled Congress, women have reached new heights. In addition to the two women committee chairs; the two women subcommittee chairs; the women serving as secretary and vice chair of the Republican conference and the first female clerk of the House, there are a number of women serving in very important, high profile staff jobs.

These women are universally respected on our side of the aisle for their hard work and professionalism. However, that does not seem to hold true for some of our counterparts on the other side. During a hearing yesterday, two Democratic Members publicly questioned the motives of two female Republican staffers based on who their spouses are.

As a working woman myself, I am truly shocked that even after all the gains we have made, some people still believe that we women can't think for ourselves. I am glad, however, that I belong to a party that respects me based on who I am and what I do rather than resorting to some outdated sexist double standard.

THE BUDGET

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

Mr. BROWN of Ohio. Mr. Speaker, here we go again. Speaker GINGRICH has put together his new budget, Medicare cuts, Medicaid cuts in the tens of billions of dollars, cuts in student loans, all to give tax breaks to the richest people in the country.

Here we go again, Mr. Speaker. Last year when the Speaker introduced this Gingrich budget, again, tax breaks for the rich paid for by Medicare and Medicaid, student loan cuts. It kept going and going. Finally, they shut down the Government to get their way.

The public clearly did not buy what they were saying. The public opposes these Medicare and Medicaid cuts, opposes these student loan cuts to give tax breaks for the rich. Here we go again.

The public again is going to have to stand up as we are on this side of the aisle and reject that way of thinking. Let us work together, Mr. Speaker, to get a good budget without the draconian Medicare and Medicaid cuts, without tax breaks for the richest people in society. Balance the budget, move forward on increasing the minimum wage and building middle class wage jobs.

CREDIBILITY CANYON

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

Mr. HAYWORTH. Mr. Speaker, it is always with great interest that I come to the well, hearing the same old tired bromides from the liberals, including my dear friend from Ohio. No wonder there is more than a credibility gap; there is a credibility canyon. And today we have a real gender gap.

Far apart is the rhetoric of the liberal side about ennobling and empowering women and right on the other side is their actions taken against working women. Two liberal male Members of this body yesterday in a Committee on Government Reform and Oversight hearing chose to attack two female staffers, not for who they are but for who they are married to. The depths of the desperation of the liberal side are truly amazing. Along with the credibility canyon, nursed by their accomplices in the liberal media, to allow them to say one thing and do another.

It will not play this time. Let us close this gender gap. Let us respect everyone in this House.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A MOTHER'S DAY GIFT

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

Ms. DELAURO. Mr. Speaker, the gentleman who just spoke would be reminded that Mary Matalin, who is an enormously talented woman, was ousted from the Dole campaign because she happened to be married to James Carville. People in glass houses should not throw stones.

Mr. Speaker, with Mother's Day only 2 days away, I know many people are puzzled about what to get Mom on Sunday.

Let's look at what Republicans have offered the mothers of America in the budget they unwrapped earlier this week.

If your mother depends on Medicare for her health care, the Republicans have given her a \$168 billion cut to pay for unnecessary tax breaks including those that benefit the wealthy.

If your mother is in a nursing home on Medicaid, the Republicans have given her a \$72 billion cut combined with a block grant approach that jeopardizes the coverage for her nursing home care.

The greatest gift congressional Republicans can give mothers and their hard working families is a new budget rather than this rehash of the same extreme positions and the same skewed priorities as the budget they proposed last year.

It's time for NEWT GINGRICH and the Republican leadership to put families first.

CALLING FOR AN APOLOGY

(Mrs. CUBIN asked and was given permission to address the House for 1 minute.)

Mrs. CUBIN. Mr. Speaker, I have been misled. I thought that Members of Congress were supposed to hold themselves to a higher standard. I thought that they were supposed to conduct themselves in a respectful manner. I was even naive enough to believe that male Members of Congress were supposed to treat females and males equally.

Boy, was I mistaken.

Yesterday, two Democrat Congressmen insulted two hard-working and dedicated female staffers. Not because of their job performance, not because of anything they said, and not because of anything they did. The only reason these staffers were insulted was because their husbands were prominent public servants.

Mr. Speaker, at a time when we are supposed to be honoring our mothers for their selfless dedication and hard work, these two Democrat Congressmen have set new lows in the respect for women. They should apologize for their insulting remarks.

NEW MEXICO FIRES

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

Mr. RICHARDSON. Mr. Speaker, despite what you may be hearing, New Mexico and Taos County are not burning. Our fires, thankfully, have been contained. New Mexico is open for business and tourism. In fact, 99.5 percent of Taos County where this fire took place did not burn.

I would like to let everybody know these fires were composed of a small percentage of land in northern New Mexico. We certainly have not closed our borders to traveling Americans because of them. In fact, Americans should know New Mexico continues to have some of the finest camping, fishing, hiking, skiing anywhere in the country as well as the famous southwestern cultural attractions in Santa Fe and Taos and our Indian pueblos. So as long as you are not in the habit of throwing burning cigarettes and matches on the ground, we wholeheartedly welcome you to New Mexico.

CALLING FOR A PUBLIC APOLOGY

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

Mrs. SEASTRAND. Mr. Speaker, yesterday at a Government Reform and Oversight Committee Hearing, two Democrat lawmakers emerged from their stone-age caves.

In a manner that only the Peking man could truly appreciate, they called into question the motives of two hard-working female staffers because they were married to prominent public officials.

In a town like Washington, many folks—both male and female—are married to prominent public officials. But according to this club-waving, cave-man mentality, if you are a woman you are incapable of rubbing two sticks together—much less having an independent thought.

Mr. Speaker, I call upon these supposed gentlemen to publicly apologize to all women for their ice-age mentality.

WINDFALL PROFITS TAX

(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, while gas keeps going up, oil companies keep making excuses. They say the blizzard did it. Spring sprung sooner than expected. More people are buying gas guzzlers and, check this one out, to try and help us, they waited and waited and waited to buy the crude oil at such

a low price so they could pass the savings on to us.

Spare me, Mr. Speaker, the profits of Unocal are up 70 percent; Marathon, 180 percent; Phillips, 500 percent. Who is kidding whom? These creeps make the Mafia look like choir boys, Mr. Speaker.

I did not vote for the gas tax. I am going to vote to repeal the gas tax. But I also think we should slap a windfall profit tax on these turkeys in a heart beat.

What is next, not enough Americans ride bikes? Beam me up, Mr. Speaker.

DEMOCRAT COLLEAGUES INSULT FEMALE STAFFERS

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

Mrs. CHENOWETH. Mr. Speaker, in what has been called a desperate distraction of men uncomfortable with women in the workplace, two Democrat male Members of Congress verbally assaulted two female congressional aides yesterday in a committee hearing. What was the reason for these attacks—the women happen to be married to prominent public officials.

This sort of Neanderthal-like mentality that would cause a Member of Congress to stoop to such a low level as attacking hardworking staff members on such sexist grounds has absolutely no place in this institution. Not only is this an insult to the female staffers in Congress, it is an insult to working women all across America.

Mr. Speaker, I call on my Democrat colleagues, Mr. MORAN and Mr. KANJORSKI, to publicly apologize to the women they attacked.

INDIAN CHILD WELFARE ACT AMENDMENTS TO H.R. 3286

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

Ms. FURSE. Mr. Speaker, today I wish to express my support for the adoption bill we are considering today, but I also want to express adamant opposition to the title III amendments to the Indian Child Welfare Act.

I have worked on native American issues since 1974. The Child Welfare Act was passed in 1978, after days of hearings. It was a much-needed law. Thirty-five percent of Indian children were adopted out of their tribes at that time. The changes proposed today will change the Indian Child Welfare Act drastically, and the worst thing about it, Mr. Speaker, is there will be not 1 hour of hearings.

The other worst thing about it is, not one tribe has been consulted. That is like passing a law that affects your constituents without even talking to someone in your State.

The proposed Indian Child Welfare Act amendments are antifamily, and they are anti-Indian. I urge my colleagues, to vote "yes" on the Young-Miller motion to strike.

□ 1015

REPUBLICAN FEMALE STAFFERS ATTACKED BY TWO DEMOCRAT MALE MEMBERS

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

Ms. GREENE of Utah. Mr. Speaker, I rise to protest in the most strong terms the reprehensible behavior of two Democrat male Members who verbally assaulted two Republican staff members yesterday at a meeting of the Committee on Government Reform and Oversight. These two female staffers were not attacked for the job they were doing, they were not even attacked for their ideology. They were attacked for who they are married to, one of them for 1 week.

Mr. Speaker, women in this country, most of us, work outside the home as well as inside the home. We work because we want to, we work because the economic policies of the last 40 years of the Democrat-controlled Congress have made it that we have to. Whatever the reason for us being in the workplace, we deserve the respect and the civility of all of our coworkers no matter what title they may hold.

We are here to stay. Our colleagues better get used to us. And those two male Democrat Members committed an offense against all women yesterday, they committed an offense against all right-thinking men, and they owe us all a public apology.

SAY "YES" TO A DECENT MINIMUM WAGE

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

Mr. GUTIERREZ. Mr. Speaker, my Republican friends love to talk about hard work. Why, from welfare to immigration, they can fit words of praise for working Americans into just about any debate.

If this were a debate contest, they could win awards for all their fine rhetoric. But rhetoric will not pay the real bills of real people. Nice rhetoric might win someone a sound bite on the evening news, but it will not send any kids to college, or pay for a mortgage, or cover the doctor bills.

And unfortunately, my Republican friends are much better at rhetoric than rewarding hard work.

Well, I believe it is time to stop talking and start acting for the American people. It is simple. This House should say "yes" to a decent minimum wage

for hard-working Americans. You see, they do not have time to make nice speeches about hard work, because they are too busy doing it. It is time for my colleagues to back up their empty words. Cut out the rhetoric. Instead, let us reward the hard work of the American people. Pass a livable minimum wage.

PRESIDENT CLINTON ADMITS TO MEDISCARE CAMPAIGN

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

Mr. CHABOT. Mr. Speaker, earlier this week President Clinton finally admitted what most of us have known for quite some time now: Congress is not cutting Medicare. In fact, our effort has been to save Medicare from bankruptcy. When reporters asked the President about those deliberately false television ads that portray Republicans as heartless souls who are allegedly slashing Medicare and Medicaid, he got visibly upset. He acknowledged that the ads are not accurate. He blamed his misstatements on the press. And he said he really liked to be truthful, but he just cannot do it in a 27-second ad. Very interesting, very revealing, and, quite frankly, very sad.

Mr. Speaker, it was reported last month that the Medicare trust fund has lost \$4.3 billion already this year. The President knows that something must be done, and now he has finally come clean. If he really is committed to start telling the truth about Medicare, he ought to work with us to save Medicare for this generation and for future generations.

REPUBLICANS ARE NOT TRYING TO SAVE MEDICARE

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

Mr. PALLONE. Mr. Speaker, this notion that somehow the Republicans are trying to save Medicare is just a lot of baloney, but they are at it again. They are at it again, basically making these cuts in the Medicare Program just to pass on tax breaks to the wealthiest Americans, and they are going to destroy the Medicare Program in the process. What they are essentially doing is making cuts that are so severe that we will see hospitals closed and we will see the quality of health care services for seniors significantly decline. And they are also passing and changing the Medicare Program in a way that the senior citizens will not have a choice of doctors. They will be pushed into managed care systems. They will be forced to spend more money out of pocket that goes back to Medicare providers in order to have the same benefits that they have now.

So this idea that somehow they are solving the problem with Medicare or

they are dealing with the potential insolvency is not true. The President has put forth a proposal in his budget that would guarantee the continued solvency of the Medicare Program, but the Republicans are going way beyond that. They are cutting \$44 billion more than what the President proposes. They are not trying to deal with Medicare in an effective way.

PORKER OF THE WEEK AWARD

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

Mr. HEFLEY. Mr. Speaker, for over a decade, the Social Security Administration funneled more than \$50,000 in benefits into the bank account of serial killer William Bonin.

Known as the freeway killer, Bonin, who was executed February 23, confessed to murdering 21 people in southern California in 1979 and 1980. He had been receiving Social Security disability insurance checks since he was diagnosed with a mental illness in 1972, but the Government failed to cut off the payments when he took up residency on death row in 1982. Federal law prohibits him from eligibility for these payments, but Bonin continued to receive monthly disability checks ranging from \$300 in 1982 to \$589 last month.

For such outrageous and indefensible disregard for their responsibility to the taxpayer, and unfortunately this is a circumstance that isn't new, the Social Security Administration get my Porker of the Week Award.

THE REPUBLICANS ARE AT IT AGAIN

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

Mr. KLINK. Mr. Speaker, just like that 4-year-old child with a sweet tooth, the Republicans are at it again, reaching back in that cookie jar, trying to grab Medicare cuts, Medicaid cuts, education cuts. Tax cuts for the wealthy is what they are going to balance it with.

This is like the sword of Damocles dangling over our heads by a thread. The elderly are worried, the poor are worried, those who run hospitals, those who are medical providers are worried.

We are looking in the State of Pennsylvania at the possibility of 52 rural and small-town hospitals closing. Many of these actions have been taken already just because of the threats that the Republicans have held over our heads over the past 2 years. They were spanked by the public for their misbehavior, their irresponsible behavior in putting together the 1996 budget, but here they come again, the same irresponsible behavior in 1997. And I think when November rolls around, the public will spank them again.

But just like that 4 year old with its sweet tooth, the Republicans just cannot keep their fingers out of that cookie jar.

THE PUBLIC'S RIGHT TO KNOW

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

Mr. WALKER. Mr. Speaker, a couple of weeks ago I coauthored a memorandum asking our community chairmen to look at waste, fraud, and abuse in the administration, examples of dishonesty, and ethical lapses, and influences of labor union bosses and corrupt activities in the labor unions. We are finding now that that particular memo is producing results. I now have information that shows allegations against the labor unions for organized crime activities.

Imagine my surprise, then, when we are exercising our right of the public to know about what goes on, to have the Democratic freshman, eight of them, write a letter to the Speaker saying that this is something that should not be pursued and, in fact, the memo should be withdrawn. Well, now we know why. We have now gone back and figured out that those eight freshmen who wrote that letter have received over \$1 million from the very labor unions that they are seeking to protect.

That is right: over \$1 million in contributions from those that they do not want investigated.

The public has a right to know about these things; \$1 million in contributions should not get in the way of the public's right to know.

TITLE III OF H.R. 3286 BAD FOR INDIAN CHILDREN

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

Mr. FALEOMAVAEGA. Mr. Speaker, in 1978, Congress enacted the Indian Child Welfare Act to prevent "[t]he wholesale separation of Indian children from their families * * * perhaps the most tragic and destructive aspect of American Indian life today." H.R. Rept. No. 95-1386. The law recognizes that Congress, which has "responsibility for the protection and preservation of Indian tribes," believes "that there is no resource that is more vital to the continual existence and integrity of Indian tribes than their children." The U.S. Supreme Court in 1988 wrote that "[t]he protection of this tribal interest is at the core of the Indian Child Welfare Act which recognizes that the tribe has an interest in the child which is distinct but on a parity with the interest of the parents."

But title III of H.R. 3286 would significantly undercut this important law.

Title III contains provisions that would add a new race-based Indian identity test focusing upon a child's significant cultural, social, and political contacts instead of tribal membership, would ignore the important role of the extended family in Indian culture, would lead to increased litigation, and would have the effect of excluding tribal members from coverage of the Indian Child Welfare Act.

These provisions were written without any effort to discuss or meet with Indian tribes, which are not only the people whose culture and interests are at stake, but are sovereign governments. I reiterate: there have never been hearings on these provisions.

Democrats and Republicans alike on the Resource Committee, which has jurisdiction over the Indian Child Welfare Act, strongly disapprove of railroading this bill through the House without adequate consideration, and I urge my colleagues to vote to strike title III that amends the Indian Child Welfare Act.

Contrary to opponents' assertions, studies since passage of the Indian Child Welfare Act indicate that it has worked well by motivating courts and agencies to place greater numbers of Indian children into Indian homes. Testimony we received in 1995 indicates that there may have been only 40 contested Indian adoption cases in the past 15 years, less than one-tenth of 1 percent of the total number of Indian adoption cases during that period. The vast majority of those problem cases are the direct result of willful violations of the act and can be addressed by changes to the law that promote greater notification and sanctions for violations.

I am prepared to work on amendments to the act in a careful and deliberate manner. But title III of H.R. 3286 is neither careful nor deliberate; it is irresponsible legislation in response to isolated anecdotes, and given the lack of even superficial consideration of its impacts, it does not belong to H.R. 3286.

I urge my colleagues to support our efforts to strike title III on the House floor.

BILLIONS OF DOLLARS

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

Mr. BAKER of California. Mr. Speaker, I guess the Clinton-Gore reelection team and the Democrats are not raking up enough cash from the trial lawyers and other special interests. While raising millions and millions of dollars in campaign funds at all kinds of fundraisers, Clinton has managed to nail the taxpayers for his opposition research staff. Thanks to Time magazine, American taxpayers have found out

White House staff has been doing campaign work for the President.

Imagine my surprise. His rapid-response team White House staff, funded exclusively by the taxpayers, are now blatantly working on campaign-style responses and attacks for the President's campaign.

I guess we really should not be surprised. This administration has been the most partisan and political in history, from their globe-trotting Cabinet members to their bloated White House staff. With Cabinet Secretaries like Bruce Babbitt and Jesse Brown and others running around the country attacking Republicans on the taxpayers' dime, this pattern of taxpayer ripoff for the Clinton reelection is appalling.

And just think: These are the Cabinet officials that are not yet being investigated.

HAPPY MOTHER'S DAY TO AMERICAN MOTHERS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I believe that we have come today and forgotten what weekend this is, and I want to pay tribute to the honorable remarkable mothers, church mothers, foster care mothers, mothers who have adopted, and just mothers, all of our mothers who have nurtured this Nation to its great place that it is.

I rise to honor them for their unselfishness, their determination and their immense love. Mothers exhibit great compassion.

And to the working mothers living on minimum wage, I am simply asking the Republicans to stop being such hard heads and honor our mothers who work hard with an increase in the minimum wage.

And to our elderly mothers, with worn hands, who worked long and hard, I ask the Republicans to stop trying to cut the Medicare which they depend upon.

Oh, we can talk about a lot this morning, but this is a weekend that we should give honor long and hard to the many mothers around this Nation who sacrificed their sons and daughters to go to war and still remained a patriotic American. Therefore this day I pay tribute to the unsung heroines, our mothers. Happy Mothers Day to the mothers of America.

THE JOURNAL

The SPEAKER pro tempore (Mr. ROGERS). Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal of the last day's proceedings.

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

Mr. SOLOMON. 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 317, nays 71, answered "present" 1, not voting 44, as follows:

[Roll No. 163]

YEAS—317

Ackerman	Diaz-Balart	Kildee
Allard	Dicks	Kim
Andrews	Dingell	King
Archer	Doggett	Kingston
Bachus	Dooley	Kleczka
Baesler	Doolittle	Klug
Baker (CA)	Doyle	Knollenberg
Baldacci	Dreier	Kolbe
Balinger	Duncan	LaHood
Barcia	Dunn	Lantos
Barr	Edwards	Largent
Barrett (NE)	Ehlers	LaTourette
Barrett (WI)	Ehrlich	Lazio
Bartlett	Emerson	Leach
Barton	Eshoo	Lewis (CA)
Bass	Evans	Lewis (KY)
Bateman	Ewing	Lightfoot
Bentsen	Farr	Lincoln
Bereuter	Fattah	Linder
Billbray	Fawell	Lipinski
Billrakis	Fields (LA)	Livingston
Bishop	Fields (TX)	LoBiondo
Bliley	Flake	Lofgren
Blute	Foley	Lowey
Boehlert	Forbes	Lucas
Boehner	Ford	Luther
Bonilla	Fowler	Maloney
Bono	Frank (MA)	Manton
Boucher	Franks (CT)	Manzullo
Brewster	Franks (NJ)	Markey
Browder	Frelinghuysen	Martinez
Brownback	Frisa	Mascara
Bryant (TN)	Frost	McCarthy
Bunning	Ganske	McCollum
Burr	Gekas	McCrery
Burton	Geren	McHale
Buyer	Gilchrest	McHugh
Callahan	Gilman	McInnis
Calvert	Gonzalez	McIntosh
Camp	Goodlatte	McKeon
Campbell	Goodling	McKinney
Canady	Gordon	Meehan
Cardin	Goss	Metcalf
Castle	Graham	Meyers
Chabot	Greene (UT)	Mica
Chambliss	Greenwood	Miller (FL)
Chenoweth	Gunderson	Minge
Christensen	Hall (TX)	Mink
Chrysler	Hamilton	Mollohan
Clayton	Hancock	Montgomery
Clement	Hansen	Moorhead
Clinger	Hastert	Moran
Coble	Hayes	Morella
Coburn	Hayworth	Murtha
Collins (GA)	Hobson	Myers
Collins (MI)	Hoekstra	Myrick
Combest	Horn	Nadler
Condit	Hostettler	Neal
Conyers	Houghton	Nethercutt
Cooley	Hoyer	Neumann
Cox	Hunter	Ney
Coyne	Hyde	Nowood
Cramer	Inglis	Nussle
Crane	Istook	Obey
Crapo	Johnson (CT)	Ortiz
Creameans	Johnson (SD)	Orton
Cubin	Johnson, Sam	Oxley
Cummings	Johnston	Packard
Cunningham	Jones	Parker
Davis	Kanjorski	Payne (NJ)
de la Garza	Kaptur	Payne (VA)
Deal	Kasich	Pelosi
DeLauro	Kelly	Peterson (FL)
DeLay	Kennedy (MA)	Peterson (MN)
Dellums	Kennedy (RI)	Petri
Deutsch	Kennelly	Pombo

Porter	Schiff	Tauzin
Poshard	Schumer	Taylor (NC)
Pryce	Scott	Tejeda
Quillen	Seastrand	Thomas
Quinn	Sensenbrenner	Thornberry
Radanovich	Serrano	Thurman
Rahall	Shadegg	Tiahrt
Ramstad	Shaw	Torres
Rangel	Shays	Trafficant
Reed	Shuster	Upton
Regula	Sisisky	Vento
Richardson	Skaggs	Vucanovich
Riggs	Skeen	Walker
Rivers	Skelton	Walsh
Roemer	Slaughter	Wamp
Rogers	Smith (NJ)	Ward
Rohrabacher	Smith (TX)	Watt (NC)
Ros-Lehtinen	Smith (WA)	Watts (OK)
Roth	Solomon	Waxman
Roukema	Souder	Weldon (FL)
Roybal-Allard	Spence	White
Royce	Spratt	Whitfield
Rush	Stearns	Wilson
Salmon	Stenholm	Wise
Sanders	Stokes	Woolsey
Sanford	Studds	Wynn
Sawyer	Stump	Young (AK)
Saxton	Stupak	Young (FL)
Scarborough	Talent	Zeliff
Schaefer	Tate	

NAYS—71

Becerra	Green (TX)	McNulty
Bonior	Gutierrez	Meek
Borski	Gutknecht	Menendez
Brown (CA)	Hall (OH)	Oliver
Brown (FL)	Hastings (FL)	Owens
Brown (OH)	Hefley	Pallone
Bunn	Hefner	Pastor
Clyburn	Heineman	Pickett
Coleman	Hillery	Sabo
Costello	Hilliard	Stark
DeFazio	Hutchinson	Stockman
Durbin	Jackson (IL)	Taylor (MS)
English	Jackson-Lee	Thompson
Ensign	(TX)	Thornton
Everett	Jacobs	Torkildsen
Frank	Johnson, E. B.	Towns
Filner	Klink	Velazquez
Flanagan	LaFalce	Visclosky
Foglietta	Latham	Volkmmer
Fox	Levin	Weller
Funderburk	Lewis (GA)	Wicker
Furse	Longley	Wolf
Gephardt	Matsui	Yates
Gillmor	McDermott	Zimmer

ANSWERED "PRESENT"—1

Harman

NOT VOTING—44

Abercrombie	Gallegly	Moakley
Armey	Gejdenson	Mollinari
Baker (LA)	Gibbons	Oberstar
Bellenson	Hastings (WA)	Paxon
Berman	Herger	Pomeroy
Bevill	Hinchee	Portman
Bryant (TX)	Hoke	Roberts
Chapman	Holden	Rose
Clay	Jefferson	Schroeder
Collins (IL)	Laughlin	Smith (MI)
Danner	Martini	Tanner
Dickey	McDade	Torricelli
Dixon	Millender	Waters
Dornan	McDonald	Weldon (PA)
Engel	Miller (CA)	Williams

□ 1048

Mr. FOX of Pennsylvania and Mr. ENGLISH of Pennsylvania changed their vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ENGEL. Mr. Speaker, I was back in my district and missed two rollcall votes.

On rollcall 162, had I been present, I would have voted "no."

On rollcall 163, had I been present, I would have voted "yes."

ADOPTION PROMOTION AND STABILITY ACT OF 1996

The SPEAKER pro tempore (Mrs. MORELLA). The unfinished business is the further consideration of the bill (H.R. 3286) to help families defray adoption costs, and to promote the adoption of minority children.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the order of the House of Thursday, May 9, 1996, it is now in order to consider an amendment offered by the gentleman from Florida [Mr. GIBBONS] or his designee. Does the gentleman from Florida seek to offer an amendment?

If not, it is now in order to consider the amendment offered by the gentleman from Alaska [Mr. YOUNG].

AMENDMENT OFFERED BY MR. YOUNG OF ALASKA

Mr. YOUNG of Alaska. Madam Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. YOUNG of Alaska:

Strike title III.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Alaska [Mr. YOUNG] and a member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Madam Speaker, I yield half of my time to the gentleman from New Mexico [Mr. RICHARDSON] and I ask unanimous consent that he be permitted to control that time.

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

There was no objection.

Ms. PRYCE. Madam Speaker, I claim the 15 minutes in opposition. I yield half the time to the gentleman from Texas, Mr. PETE GEREN, and I ask unanimous consent that he be permitted to control that time.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Alaska, Mr. YOUNG, the gentleman from New Mexico, Mr. RICHARDSON, the gentlewoman from Ohio, Ms. PRYCE, and the gentleman from Texas, Mr. PETE GEREN, will each control 7½ minutes.

The Chair recognizes the gentleman from Alaska [Mr. YOUNG].

Mr. YOUNG of Alaska. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this amendment is of great seriousness to this body. I

hope all of my colleagues pay attention to the words that will be spoken today.

I will be the first one to say that the presentation by Congresswoman PRYCE and the presentation by Congressman SOLOMON is from their hearts, and I will say they are very sincere attempts to undo what I believe is a trust authority of this Congress to the American Indian tribes. I want to stress that. Only the Congress has a right to decide who is an American Indian or what is a tribe, and no other legal entity or judicial body has that authority, and that is our trust responsibility.

What the amendment that has been put in this bill through the rules, which was in fact unanimously with one dissenting vote eliminated in my committee, does is take away that trust responsibility of this Congress to the American Indians. Again, we are breaking a commitment and a promise to the American Indian people. Keep that in mind. We were told, and Members held up their hand and swore to uphold the Constitution, and this is breaking the constitutional law, so keep that in mind.

But more than that, I helped pass ICWA, the Indian Child Welfare Act. In all the years, in 15 years, there have been 40 cases such as Ms. PRYCE's and Mr. SOLOMON's, and I will agree they are atrocious cases. But we have tried and we were working and we will continue to work to solve this problem legislatively.

There is a large tribal meeting in the first of June and we told them, "You better come up with a solution." If they do not, I will write the bill that will take care of these problems. And those lawyers have been very dishonest, and they have caused most of these problems.

We asked Mr. SOLOMON and Ms. PRYCE to wait until the middle of June, until we have found out what would be the results of those meetings. They chose not to do so. I respect that belief on their side, but I say to my colleagues in all sincerity, what we are attempting to do here today is right, it is constitutional, it is correct and it should give us the time.

I am asking this body to do the responsible thing and in fact uphold the Constitution. I am asking my colleagues to think about this for a moment and think about, yes, the 40 cases, yes, I will concede. But think of why this act was put in place to begin with.

We have 40 cases. What about the 50,000 American Indians that were farmed out and adopted out to families outside their tribes, without any consent of the mother or father or the family or grandpas or uncles or aunts? And that occurred. In fact it was more than 50,000. It was more like a half a million since 1900.

And we are talking about 40 cases. Yes, they are bad cases, they are atro-

cious cases. But I am saying to my colleagues, what they are attempting to do in this bill, and if they do not adopt my amendment today to strike that provision and give us the opportunity, they are in fact breaking our trust responsibility to the American Indian. I do not think my colleagues want that on their chest.

In fact, if they do, and, yes, the emotionalism is there, I have seen the cases, I have talked to these people, but I am going to suggest to them if they do that, they have shirked our duty to the responsibility that we are charged with. All I ask is give us the time, let us work and let us solve the problem, and we can do it.

If they continue this effort today in this bill and this amendment is not adopted, they in fact have gone back on an act that has worked well. It has kept families together, children with their relatives, children with their mothers, children with their aunts and uncles and not farmed out to places far away from those tribes.

So I ask my colleagues to support this amendment. It is the right thing to do. It is the best thing to do, and it is our responsibility.

Madam Speaker, I reserve the balance of my time.

Mr. PETE GEREN of Texas. Madam Speaker, I yield myself such time as I may consume, and I rise in opposition to this amendment.

Madam Speaker, the issue before us is not about the rights of native Americans. It is about the rights of U.S. citizens to make decisions about their own children free from the control of ancestors generations removed from them, whether those ancestors be German, French or native American.

If a 14-year-old girl in Atlanta, GA were to get pregnant, we might think that it would be up to that girl, her parents, the boy involved and his parents as to whether to place that child for adoption and with whom to place that baby for adoption. That is true unless one grandparent or even one great-grandparent, alive or dead, may have once been a member of a native American Indian tribe.

It does not matter that the girl, the boy, the parents, three out of four grandparents, 7 out of 8 great-grandparents were German, French, Texan or whatever. If one great-grandparent had been an enrolled member of a native American Indian tribe, that tribe may intervene and disrupt the adoption placement for that great-grandchild, and countermand the decision.

Madam Speaker, I yield the balance of my time to the gentlewoman from Ohio [Ms. PRYCE], and I ask unanimous consent that she may be permitted to control that time.

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

There was no objection.

□ 1100

Ms. PRYCE. Madam Speaker, I yield such time as he may consume to the gentleman from Kansas [Mr. TIAHRT], who has been so instrumental in assisting on this bill.

Mr. TIAHRT. Madam Speaker, I rise in opposition to the Young amendment.

Now is the time to improve this 1978 law. The children of Native American descent who are harmed by overbroad application of the Indian Child Welfare Act can not lobby, they can not write letters and they can not wait. It is time to relieve them of the fear of being taken away from their mom and dad and it is time to give children without parents the chance to be adopted.

This legislation does not interfere with the Tribal courts jurisdiction over a child on a reservation or a child who has even one parent that is connected with a tribe. Title III of H.R. 3286 simply restores individual freedom to those children and birth-parents whose only connection with a tribe is genetic. I urge my colleagues to support title III.

Ms. PRYCE. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, with all due respect to the gentleman from Alaska, my friend, I must rise in strong opposition to striking title III.

Madam Speaker, the gentleman is absolutely right about the shameful history which required the passage of ICWA in the first place. It was a blight on our past, and there is no pride that we as a nation should take from it. He is right that ICWA has worked, and it is still working. That is why I am opposed to efforts for its outright appeal. But we as a Congress must realize that it is not perfect. Its vagueness has caused not only endless litigation, but also pain, suffering, and heartache for children and families all across this wonderful country of ours. And we as a Congress have the responsibility to clear up those ambiguous words that we created, that we wrote in 1978.

This is one of the easy ones, folks. So often we are faced with social problems we do not have any idea how to fix. But it is not hard to see that when some courts and activities can claim that a child with no more than one sixty-fourth Indian blood and no connection with tribal culture for generations and generations, they can claim that an Indian child and then take that child from the only secure family it has ever had, it is not hard for me to see what we have to do.

And what about our country's other rich cultural heritages? If a child is almost entirely Hispanic, or African American or Asian or Irish American, but has some trace of Indian lineage, under the current application of ICWA, these heritages can be denied. They are subordinated to one's native American lineage, no matter how minute. Someone explain to me why is it any less significant or meaningful to be Hispanic, black, Asian or Irish, and why

we as a Congress, we just cannot allow this to continue.

The Indian Child Welfare Act on too many occasions has created a state of permanent impermanence for the very children it was enacted to protect. Since its enactment, there are 25 percent more Indian children in foster care and for lot longer times. While widespread litigation over ICWA continues, children are being bounced from one foster care setting to another for months and sometimes even years, when they could and should be with loving parents in stable, permanent homes. Children are being grabbed by the overreaching arms of ICWA and removed from loving nurturing parents, even under circumstances where the child's natural parents were never members of an Indian tribe, never lived on or near a reservation, never had any meaningful contact with the tribe or Indian culture, voluntarily relinquished their parental rights, could only claim a minute degree of native American heritage, and even chose the couple whom they wanted to raise their child.

The Congress of the United States enacted the Indian Child Welfare Act, and it is our responsibility to address the unintended and unjust, tragic results of it, while still preserving its integrity and respect for the proper and intended purpose.

Madam Speaker, this has been my intention from the outset. Yet my request for input and suggestions about how to fix this have gone unanswered. Nothing has happened but more litigation, more broken families, and more heartbreak.

Madam Speaker, I urge my colleagues to put the best interests of America's children first by defeating the motion to strike. In title III, we propose nothing more than a common-sense clarification. This is a small but very meaningful step that we can take to give adoptive children the kind of stable, secure, loving homes that they deserve. Vote "no" on the motion to strike.

Madam Speaker, I reserve the balance of my time.

Mr. RICHARDSON. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, I want to correct what is permeating this Chamber. Native Americans are different from other ethnic minorities in that they are sovereign tribes, sovereign nations. You cannot equate a case of an African-American or Hispanic-American with native Americans. Native Americans have treaties with the United States. You cannot completely disregard tribal administration, and tribes that have not been consulted in this.

Mr. Speaker, the Clinton administration supports the Young amendment. They have issued a statement, along with the Department of Interior, the

Department of Justice, the Federal Bar Association.

Madam Speaker, I yield 1½ minutes to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Madam Speaker, I rise in strong support of the amendment offered by Mr. YOUNG to strike title III from this legislation. Madam Speaker, the bill before us today is an affront to the sovereignty of Indians in our country. This provision was written without any consultation of the Indian tribes. Members of both sides of the aisle on the House Resource Committee, which has sole jurisdiction over the Indian Child Welfare Act, recognized that this law has worked well over the years. In my home State of Michigan, which has one of the largest native American populations in the midwest, the Indian Child Welfare Act has been successful by motivating courts and agencies to place greater numbers of Indian children into Indian homes.

Madam Speaker, there may be a need to fine tune this legislation—we don't pass perfect legislation on Capitol Hill. It is my understanding that tribal and adoption groups are currently meeting to develop recommendations to make the adoption process better for all children. It is my understanding that these recommendations will be ready next month.

Madam Speaker, before we rush to judgment, let's carefully and sensitively review the Indian Child Welfare Act—and do what is best for the children.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my good friend, the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules and an activist on this front.

Mr. SOLOMON. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I guess I have a special prejudice about this bill, because I guess I was one of those kids years ago that was bounced around from home to home, without a mother and father. I can still recall looking to the other kids and being so envious, and wondering what it was like when I went to bed at night when I used to dream what it would be like to have a mother and father.

You know, that is what this debate is all about. We have 600,000 of these children that need to be adopted. There are 2 million more beyond that that are now in foster homes who need mothers and fathers. It means so much to the future of this country.

Let me say to my good friend, the gentleman from Alaska [Mr. YOUNG], who I respect more than any other man in this body, because he and I fight for property rights day in and day out. DON, you are not going to be able to get legislation out of your committee. What you are asking is to continue the status quo.

Let me tell Members what we are doing with this legislation. We are keeping good legislation on the books. The ICWA is a good piece of legislation. But we are trying to prevent baby snatching, children snatching. That is all we are doing.

What we are saying is that if you are part Indian, not living on a reservation, taking advantage of all of the benefits of an American citizen, you do not get a tax break, you do not live on the reservation; and, let us say you are a man and a woman, unmarried or married, and you give that child up for adoption, and a family, like Colonel Satler of the U.S. Marine Corps, like his sister, has had these twins for 2 years. And then those children are snatched away because, retroactively, the Indian reservation said "Those are our children."

All we are saying is you cannot do that retroactively. If you are an American citizen taking advantage of the United States benefits, then you have to go before the same court that the other Americans have to go before. You still have the opportunity to work your case either way. That is what this debate is all about.

I implore Members, I beg you to please vote to improve the legislation, not repeal it. And then it the Indian reservations and organizations decide to do something in June, let us sit down and work in conference to work it out to the benefit of all Americans.

Please vote against the Don Young amendment.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from America Samoa [Mr. FALEOMAVAEGA], the ranking member on the Subcommittee on Indian Affairs.

Mr. FALEOMAVAEGA. Madam Speaker, it is not often that I appear in the well to make speeches, but in this instance, I am compelled to do so, particularly to note the seriousness of the issue now before us.

I feel it is very, very unfortunate that we are only given 7 minutes to debate a very major issue affecting the lives of some 200 native American Indians. Some of our friends have said we are French-Americans, we are Italian-Americans, we are Irish-Americans. The fact of the matter is we have only been granted native American citizenship in 1924; 300-some treaties we have broken, every treaty we signed to signify the sovereignty of the Indian tribes.

I would like to remind my friends, there is only one designation given in our Constitution to recognize Indian tribes separate and apart from French-Americans or British-Americans. We are all Americans in that respect.

Madam Speaker, I support the gentleman's amendment. I ask my good friend, the gentlewoman from Ohio, give the Indian tribes a chance and the Committee on Resources, which has

primary jurisdiction over the needs of native Americans, give us a chance to work this thing over. The problem cases, 40 cases, that is less than one-tenth of 1 percent of the problem that we are dealing with.

Madam Speaker, the Indian Child Welfare Act works. Support the Young-Miller amendment.

Madam Speaker and my colleagues in the House, it is not often that I appear in the well to make speeches. But in this instance, I am compelled to do so—particularly to note the seriousness of the issue now before us.

H.R. 3286, as authored by the gentlelady from New York is an excellent piece of legislation to provide a better means whereby some 500,000 of our Nation's children are cared for through adoption.

With one exception, however—and that's title III of H.R. 3286, which deals with adoption of children who are of Native American Indian ancestry.

Madam Speaker, I ask my colleagues to support the amendment offered by the gentleman from Alaska, who is also the chairman of the House Committee on Resources. Title III of this bill is the spoiler of this legislation, and I ask my good friend, the gentlelady from Ohio to give the Indian tribes and the Resources Committee an opportunity to do its job for proper hearing and thorough examination of the problem.

Madam Speaker, for some 18 years now, Congress passed legislation specifically to address the plight of Indian tribes and to remedy the problem as noted in the 1978 report, that the "wholesale separation of Indian children from their families—is perhaps the most tragic and destructive aspect of American Indian life today."

Contrary to assertions that the 1978 Indian Child Welfare Act has not worked, it's not true. In fact it has worked very well. According to the 1995 testimony received, "there may have been only 40 contested Indian adoption cases in the past 15 years, which is less than one-tenth of 1 percent of the total numbers of Indian adoption cases throughout the period."

And I might note that the vast majority of the problem cases were caused by willful violations of the act.

Madam Speaker, my heart goes out to the families that have had to expend their life's fortunes—\$75,000 and even some \$300,000 in court litigation. And I must say the responsibility lies squarely upon the shoulders of those adoption attorneys.

I cannot believe for a second Madam Speaker, that these adoption attorneys were not aware of the Federal law governing the adoption of Indian children. These adoption laws have been in the books for some 15 years. Most, if not all the problem cases involving Indian children occurred after passage of the 1978 act. Any adoption attorney worth a grain of salt should have been aware of such laws—but the problem, Madam Speaker, the adoption attorneys purposely would advise adoption parents not to reveal the Indian ancestry of these children. And at \$20,000 a pop for these adoption cases—again, Madam Speaker, the fault lies squarely on these adoption attorneys.

Madam Speaker, it is most unfortunate that the Rules Committee has allocated only 7½

minutes to debate this very important issue. Moreover, I must remind my colleagues that it was not until 1924 that our Nation ever granted U.S. citizenship to Native American Indians. Our Nation also has broken every treaty that was signed with the Indian tribes.

Madam Speaker, the speeches before me said our Nation should not distinguish between French Americans, Irish Americans, Polish Americans, Asian Americans—we're all Americans. But I must remind my colleagues that Native American Indian tribes, is the only ethnic group that the U.S. Constitution specifically makes reference to as a sovereign entity, for which the Congress of the United States is specifically assigned the responsibility of dealing with Native American Indians.

Under the provisions of section 8, article I of the Constitution of the United States, it states, "Congress shall have power to . . . regulate commerce with foreign nations, and among the several states, and with the Indian tribes . . ." The Native American Indians are specifically cited, Madam Speaker, because under our form of democracy we have had treaty relations with Indian tribes for the past 300 years. So, let's not mislead the American people by suggesting the Native American Indians are the same as French Americans, British Americans, Irish Americans, Italian Americans, because they are not.

Again, I ask the gentlelady from Ohio to give the Indian tribes throughout America and the House Resources Committee a chance to review and provide input in this process. It has been suggested by the gentlelady that despite all her efforts, the Resources Committee and the Indian tribes were not responsive. The fact is, Madam Speaker, our legislative agenda is controlled by the Republican leadership of the House, and for whatever reason that the gentlelady's concerns were not addressed, I cannot respond other than to say I am willing to work the gentlelady at any time to resolve this problem.

Again, Madam Speaker, I urge my colleagues to support the Young-Miller amendment by eliminating title III of H.R. 3286.

SUPPLEMENTAL VIEWS ON H.R. 3286

We report these supplemental views on title III of H.R. 3286, the Adoption Promotion and Stability Act of 1996 (the "bill"), because of our great concern that this bill, however well-intentioned, will do grave and unavoidable harm to the Indian Child Welfare Act (the "Act") and even, perhaps, to the future of Indian tribes and Indian children as well.

In addition, we write to express our displeasure with the process in which this bill has been introduced, referred, and scheduled for a floor vote. The fact that Title III of this bill was introduced without any consultation with those people it affects the most—Indian parents, children, and tribes—strikes us not only as grossly paternalistic but a recipe for legislative disaster. Indeed, the laws and practices surrounding Indian adoptions are complex and poorly understood. Rather than proceeding rashly into a field armed simply with anecdotal evidence and fierce convictions, perhaps the sponsors should have sat down and gathered empirical information from the tribes and social workers most familiar with the day-to-day workings of the Act. In other words, the bill's sponsors should have at least thought about conducting a hearing on this important measure. Yet none were scheduled or even planned.

The bill's sponsors had originally planned to bring this bill to the House floor without any Committee proceedings at all. Although the House leadership apparently agreed with the Committee Chairman that there should at least be an appearance of process and therefore granted a six day referral to this Committee, the fact remains that this Committee's role was always viewed suspiciously, and even antagonistically, largely out of concern that the committee membership would be sympathetic to the Indian tribes' point of view. Of course, we have serious problems with the bill, as set forth below. That is because this Committee takes this Nation's Federal trust responsibility towards the more than 550 Alaska Native and American Indian tribes seriously.

This does not mean that the Committee is not aware of problems associated with the implementation of the Act, nor does it mean that the Committee is not willing to take measures to make improvements to the Act. The point is that the Committee members would have been willing to work with the sponsors in a constructive and deliberate manner on legislation that improves and strengthens the Act. But that is not what the sponsors apparently wanted. And that is unfortunate because the remaining adoption titles in the bill have strong merit. It seems odd to jeopardize passage of an otherwise worthwhile bill by burdening it with a controversial, untested, and hastily drafted provision that has merited the strong objection of the Committee of primary jurisdiction and the unanimous opposition of Indian tribes throughout the country.¹

Turning to the substance of the bill, our objections are manifold. In order to fully illustrate the depth and nature of our concerns, we believe it is appropriate to first examine the history and purposes of the Act.

The Indian Child Welfare Act was enacted in 1978, after ten years of Congressional study, in order to protect Indian children and Indian tribes. This Committee, in its 1978 Report, determined that "[t]he wholesale separation of Indian children from their families is perhaps the most tragic and destructive aspect of American Indian life today."²

As stated in the Act itself, Congress "has assumed the responsibility for the protection and preservation of Indian tribes and their resources" and "that there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children . . ."³

Prior to enactment of ICWA, the Committee received testimony from the Association on American Indian Affairs that in 1969 and 1974 approximately 25% to 35% of all Indian children had been separated from their families and placed in adoptive families, foster care, or institutions.⁴ The rate of adoptions of Indian children was wildly disproportionate to the adoption rate of non-Indian children. According to the 1978 House Report, Indian children in Montana were being adopted at a per capita rate thirteen times that of non-Indian children, in South Dakota sixteen times that of non-Indian children, and in Minnesota five times that of non-Indian children.⁵ In one House hearing, Chief Calvin Isaac of the Mississippi Band of Choctaw Indians explained the cause for the large removal of Indian children:

One of the most serious failings of the present system is that Indian children are removed from the custody of their natural parents by nontribal government authorities

¹ Footnotes at end of article.

who have no basis for intelligently evaluating the cultural and social premises underlying Indian home life and childrearing. Many of the individuals who decide the fate of our children are at best ignorant of our cultural values, and at worst contemptful of the Indian way and convinced that removal, usually to a non-Indian household or institution, can only benefit an Indian child.⁶

Thus, Congress chose to act to protect Indian tribes against the disproportionate wholesale, and often unwarranted, removal of Indian children from their families and subsequent placement in adoptive or foster homes. Chairman Udall, the Act's principal sponsor, reaffirmed the need for the Act on the House floor, "Indian tribes and Indian people are being drained of their children and, as a result, their future as a tribe and a people is being placed in jeopardy."⁷

We emphasize that Congress enacted ICWA in recognition of two important interests—that of the Indian child, and that of the Indian tribe in the child. In a landmark ruling, the Supreme Court in the Holyfield case expounded on this latter interest, quoting a lower court:

The protection of this tribal interest is at the core of ICWA, which recognizes that the tribe has an interest in the child which is distinct but on a parity with the interest of the parents.⁸

Another problem surrounding Indian adoptions that the Congress chose to address was the inability of non-Indian institutions, in particular state courts and adoption agencies, to recognize the differing cultural values and relations in Indian communities.⁹ For instance, state courts and adoption workers usually failed to grasp the powerful role and presence of the extended family in Indian communities.¹⁰ Thus, Congress structured the Act to counter the tendency of non-Indians to focus solely on the immediate relationship of the Indian children to their parents while ignoring the relationship of the children to their extended family. In fact, that is a glaring shortcoming of the proposed bill which stresses only the relationship of the child's parent to the tribe.

In order to balance the interests of Indian children and their tribes, Congress set up a carefully tailored dual jurisdictional scheme to provide deference to tribal judgment in cases involving Indian children residing on Indian lands and to provide concurrent but presumptive tribal jurisdiction in the case of Indian children not residing on Indian lands. It is important to recognize that this dual jurisdictional scheme settles jurisdictional and choice-of-law issues in a way that best facilitates the placement of Indian children with families. This is so for the simple reason that tribal courts are generally in a better position than state courts to know whether an Indian child has relatives who want to adopt the child, or whether there are other Indian or non-Indian families who want to adopt the child.

As a final matter, Congress enacted ICWA to address the social and psychological impact on Indian children of placement in non-Indian families. The U.S. Supreme Court has stated that "it is clear that Congress' concern over the placement of Indian children in non-Indian homes was based in part on evidence of the detrimental impact on the children themselves of such placement outside their culture." Holyfield at 59-50. In particular, the Court noted studies that demonstrated that Indian children raised in non-Indian settings often have recurring developmental problems encountered in adolescence. *Id.* at 50, n.24. See also, Berlin, *Anglo Adop-*

tions of Native Americans, *Repercussions in Adolescence*, 17 *J. Am. Acad. of Child Psychology* 387 (1978). Removal of Indian children from Indian families precipitates not only a cultural loss to the Indian tribe but a loss of identity to the children themselves.

Recent studies indicate that ICWA has worked well in redressing the wrongs caused by the removal of Indian children from their families. A 1987 report revealed as overall reduction in foster care placement in the early 1980s after enactment of ICWA.¹¹ A 1988 report indicated that ICWA had motivated courts and agencies to place greater numbers of Indian children into Indian homes.¹² Testimony received at a May 1995 hearing on H.R. 1448 from Terry Cross, director of the National Indian Child Welfare Association, indicates that, contrary to assertion by non-Indian adoption attorneys and agencies of hundreds or even thousands of "problem" Indian adoptions, there may be only 40 contested Indian adoption cases in the past fifteen years, less than one-tenth of one-percent of the total number of Indian adoption cases during that period. As set forth later, we believe that the vast majority of those "problem" cases are the direct result of willful violations of the Act and can be addressed by changes to the law that promote greater notification and sanctions for violations.

Having examined the background of the Act, we turn to reservations about the substance of H.R. 3286.

Section 301 of the bill would limit the application of the Act to off-reservation Indian children with at least one parent who maintains a "significant" social, cultural, or political affiliation with an Indian tribe. A determination of such an affiliation is final.

Our first objection is that this section is vague. The bill provides no guidance to the courts as to the meaning of "significant" or "affiliation". The use of "final" can be read to preclude appellate review by state, federal or tribal courts. The vagueness inherent in this section is likely to lead to new levels and areas of litigation, contrary to the purposes of the Act and in frustration of efforts to quickly place Indian children with adoptive or foster families.

Second, the bill needlessly jettisons a simple test for the application of the Act, membership (which is a political test), in favor of a complicated test. Again, this will likely promote rather than curtail litigation involving Indian custody proceedings, contrary to the purposes of the Act.

Third, the bill would cede back to state courts and agencies the primary role of making placement and jurisdictional decisions. As explained in the history above, Congress chose to give primary jurisdiction over the adoption of Indian children to the tribes precisely because of the states' inability to understand tribal cultural and political institutions. Thus, to give states the role of first determining whether an Indian parent has sufficient social, cultural or political affiliations with a tribe as to warrant tribal court jurisdiction runs contrary to the intent of the Act. To date we have heard no testimony or evidence to support the assumption that there has been any improvement in the state courts' or agencies' abilities to understand tribal values and cultures.

Fourth, by focusing solely on the relationship of the child's parent to the tribe, the bill ignores the entire role of the extended family in Indian country. Thus the bill operates at the expense of the child's grandparents, aunts and uncles who likely will have the requisite "significant" contacts

with the tribe and who have a strong familial and cultural interest in the child. It was the inability of state courts and adoptions agencies to recognize this interest that led to the wholesale removal of Indian children from their culture in the first place.

Fifth, the bill misses the fact that the Act is largely jurisdictional in nature. In other words, the Act transferred jurisdiction in Indian adoption cases to tribal courts from state courts because the tribes were in the best position to act in the best interest of Indian children. But, the Act in no way requires that Indian children be placed with Indian families. The bill, unfortunately, seems driven in part out of fear that tribal court jurisdiction is tantamount to placement in an Indian family. We believe this fear is unfounded.¹³ Rather, we believe that tribal courts remain capable of sound judgment and will place an Indian child with a family, Indian or non-Indian, when it determines that it is in the child's best interests.

Section 302 of the bill provides that an Indian who is eighteen years of age or older can only become a member of a tribe upon his or her written consent and that membership in a tribe is effective from the actual date of admission and shall not be given retroactive effect.

This section reaches directly into a core area of tribal sovereignty, membership¹⁴, and makes written consent a prerequisite for adults. The major problem with this approach is that tribal membership is not, as a matter of practice, synonymous with enrollment. Many tribes, especially smaller tribes, do not have updated enrollment lists. The Department of Interior's own Guideline to State Courts for Indian Child Custody Proceedings point this out.¹⁵ The provisions of this bill would penalize Indian children and their parents in these tribes. Lack of funds is one reason. Another reason is that Indians often do not enroll until such time as they need Indian Health Service care or scholarship assistance. In addition, we have heard testimony that tribe often simply "know" who their members are.

The result is that many Indians who are part of the Indian community and eligible for enrollment would be excluded from the Act's coverage simply because they have not taken the formal step of enrollment. Thus, we believe the bill is overbroad in this respect because it will exclude children, even full-blooded Indians, whose parents are in fact members of a tribe. This bill exacerbates this problem by placing questions of membership in the hands of the state courts rather than tribal courts. We believe that a minimum, membership is a matter that should be left solely to the tribes.

This section would also extend to involuntary proceedings and allow state agencies to remove Indian children from on-reservation homes where neither parent has enrolled in a tribe. Obviously, this is one of the very problems that led to the creation of the Act. We see no need to take such a dramatic step backwards.

Lastly, we take issue with the assertion that this Act not apply to children who are one-tenth, one-sixteenth, one-thirty second, or some other degree of Indian blood. The law is clear in this respect: tribes, as sovereign entities, are free to set membership on any number of criteria, and each tribe has the power to determine whether or not to rely upon degree of blood as such a criterion. As previously stated, Congress has no business intruding upon such central matters of tribal sovereignty.

Having set forth these criticisms, we suggest the following approach to address the

real problem surrounding lengthy adoption disputes, namely the willful failure by adoption attorneys and agencies to comply with the terms of the Act. First, mandate notice to the tribe in all voluntary proceedings. Second, impose sanctions upon willful violators of the Act.

While it is true that there are rare instances of Indian child custody cases that are painful for the children and families, we believe that most of the problems lie not the Act itself, but rather with the failure to comply with the terms of the Act. For instance, in the *Rost* case involving the twins from California, the biological father testified in court deposition that he had been counseled to omit any reference to his Indian heritage in order to avoid ICWA proceedings. When the terms of the Act are complied with, the Act works well and facilitates the quick placement of Indian children. We are aware of the discrepancy in the Act which gives a tribe a right to intervene in custody proceedings, voluntary or involuntary, at any point, 25 U.S.C. 1911(c), yet mandates notice to the tribe only in involuntary proceedings, 25 U.S.C. 1911(a). We believe that as a matter of policy, the best approach is to provide notification to the tribe in all state court proceedings, voluntary and involuntary, in order to carry out the goals of the Act. We would be glad to work with the bill's sponsors on these changes if they desire.

In sum, we believe that the Indian Child Welfare Act has been successful as a protection to Indian tribes and families. There will undoubtedly arise, from time to time, difficult adoption cases, but these cases are usually the result of an unintentional or, as is often the case, an intentional attempt to get around the requirements of the Act. We do not believe that the legislation at hand adequately addresses those problems. Such legislation deserved thorough examination by this Committee and input from the tribes it affects or we run the risk of imposing even more big-government paternalistic measures upon the Indian tribes.

GEORGE MILLER, M.C.
BILL RICHARDSON, M.C.
ENI FALEOMAVAEGA, M.C.
FOOTNOTES

¹To date, the Committee has received letters from twenty-two individual tribes, as well as the Intertribal Council of Arizona (representing nineteen Indian tribes), the Bureau of Catholic Missions, the National Congress of American Indians (representing 201 tribes), the Association on American Indian Affairs, the Native American Rights Fund, the National Indian Child Welfare Association, the Indian Child Welfare Law Center, and the United Indians of All Tribes Foundation, all strongly opposing the bill.

²H.R. Rep. No. 1386, 95th Cong., 2d Sess. (hereinafter 1978 House Report) 9. H.R. 12533, was introduced in the 95th Congress by Chairman Udall and co-sponsored by a number of committee members including Reps. Miller and Vento.

³25 U.S.C. § 1901(2), (3).

⁴1978 House Report at 9.

⁵Id.

⁶Hearings on S. 1214 before the House Interior and Insular Affairs Subcommittee on Indian Affairs and Public Lands, 95th Cong., 2d Sess. (1978).

⁷124 Cong. Rec. 38102 (1978).

⁸*Mississippi Band of Choctaw Indians v. Holyfield*, 490 U.S. 30, 52 (1988) quoting *In re Adoption of Hallouay*, 732 P.2d 962, 969-70 (Utah 1986).

⁹The Act states that "the States . . . have often failed to recognize the essential tribal relations of Indian people and the cultural and social prevailing in the Indian communities and families. 25 U.S.C. 1901(5).

¹⁰As stated in the 1978 House Report: "[T]he dynamics of Indian extended families are largely misunderstood. An Indian child may have scores of, perhaps more than a hundred, relatives who are counted as close, responsible members of the family." 1978 House Report at 10. See also *Holyfield* at 35, n. 4.

¹¹See Note, *The Best Interests of Indian Children in Minnesota*, 17 American Indian Law Review 237, 246-47 (1992).

¹²Id.

¹³The Supreme Court has rejected attacks against tribal court jurisdiction founded on claims of bias or incompetence, noting Congressional policy promoting the development of tribal courts. See *Iowa Mutual Ins. Co. v. LaPlante*, 480 U.S. 9, 19 (1987).

¹⁴See *Santa Clara Pueblo v. Martinez*, 436 U.S. 49, 55-56, (1978), citing *Roff v. Burney*, 168 U.S. 218 (1897).

¹⁵The Guidelines state:

Enrollment is not always required in order to be a member of a tribe. Some tribes do not have written rolls. Others have rolls that list only persons that were members as of a certain date. Enrollment is the common evidentiary means of establishing Indian status, but it is not the only means nor is it necessarily determinative.

Guidelines for State Courts: Indian Child Custody Proceedings, 44 Fed. Reg. 67,586 (Nov. 26, 1979).

RESPONSE TO REPRESENTATIVE PRYCE'S INDIAN ADOPTION "HORROR" CASES (H.R. 3286)

Shonna Bear case (Okla.): Case involves Creek Indian woman who wanted to place her child in the custody of the Clarke family. Rep. Pryce says the tribe used ICWA to overturn the mother and adoptive parent's plans and took baby away from adoptive parents. But this case does not involve a misguided application of ICWA. Rep. Pryce leaves out the fact that it was the birth mother who changed her mind (after only 10 days) and decided to keep her baby. Furthermore, ICWA would have been appropriate because both the parents and the baby were Indians. The tribe was involved because the birth mother excluded the father and the father's family from her decisions. This is not a case of the Tribe coming in and using ICWA to take a baby from the non-Indian parents.

Quinn family case (Wash.): Quinn family, seeking to adopt, Indian child, began relationship with 15 year old birth mother seven months prior to birth. Two weeks after birth, mother changed her mind and attempted to enroll in her tribe even though "she had no connection with her Native ancestry". The courts eventually ruled for the Quinns after 3½ years. Rep. Pryce leaves out fact that prior to birth mother had been attempting to enroll in her tribe and that Quinn family knew she and the baby were Indian. Not a misapplication of ICWA. Long custody battle could have been avoided had the attorneys provided notice to the mother's tribe. Under ICWA, there was nothing to prevent tribal court from placing the baby with the Quinn family. The point is ICWA was designed to protect Indian heritage and that is what the mother eventually decided was in her child's best interest.

Rost Case (Ohio): The Rosts, a couple from Rep. Pryce's district, sought to adopt twin Indian girls (1/32 Indian degree of blood) from California. Birth parents consented to placement with Rosts. Before adoption finalized, birth father changed his mind and the father's mother enrolled the father and the twins in the tribe. California family court, following ICWA, transferred jurisdiction to tribal court. Appellate court reversed and gave custody to the Rosts. Case is on appeal to the Cal. Supreme Court. Rep. Pryce leaves out fact that birth father, on advice of the adoption attorney, attempted to hide fact that he was Indian so as to avoid ICWA. The adoption attorney thought by hiding Indian identity from court, that it would make adoption go smoothly. The whole point of ICWA is to prevent the loss of Indian children by fraud or trickery. It does not matter that children were only 1/32 Indian. Tribes are free to set their own membership requirements and may or may not rely on blood quantum. Lastly, there is nothing in ICWA to prevent the tribal court from placing twins with Rost family.

Kayla America Horse Case (Kentucky): Rep. Pryce states that Indian woman married to native American and had two children. After divorce, woman granted custody. Yet half-brother of father feels he has right to children under ICWA. Rep. Pryce leaves out fact that the tribal court placed Kayla with family on temporary basis, retaining baby as a ward of the tribal court. By express terms of ICWA, tribe retained jurisdiction. Case does not involve retroactive enrollment nor a case where parents or children are not Indian members. Pryce's bill has nothing to do with his situation. As usual, battle is over forum (tribal v. State court) that of custody battle. Tribal court still free to place child with mother.

Ms. PRYCE. Madam Speaker, I yield 1 minute to my friend, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Madam Speaker, adoption has long been recognized as a loving arrangement for a woman who conceives a child, but is unable to provide her child the care that she knows that the baby needs and deserves.

It seems to me that the last thing that the Federal Government should be doing is to create a situation where a woman faces fewer obstacles if she aborts her son or daughter than if she chooses to place her child in an adoptive fashion. As it is, the consent of the biological father is needed for adoption, but not abortion.

But the Indian Child Welfare Act further exacerbates this treatment of the two options. If the baby has even the remotest link to Indian ancestry, the tribe can intervene and disrupt an adoption plan, no matter how little, if any, contact the mother or father has had with the tribe.

Under the Indian Child Welfare Act, a mother pursuing adoption is not in control of whether her child is placed with a family of her own faith or background or values, nor is she able to make any other important decisions regarding her child's future. If she wishes to relinquish her parental rights in order to pursue an adoption plan, she may lose control of her child's future, to persons unrelated, and who may not even care about that child.

Madam Speaker, I support this very important legislation that is being offered.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Madam Speaker, I rise today in strong support of the Young-Miller amendment to strike.

Madam Speaker, I want to quote to you from a young man sitting beside me today, who is a Navajo adopted child. He said to me, "I more than anyone else understand the importance of ICWA, that the best interests of an Indian child include being part of his culture. I cannot stand people," he says, "telling Indian people, including my tribe, what is best for Indians like me."

The gentleman from Alaska [Mr. YOUNG] is right. The Indian people are

the only U.S. citizens who carry dual citizenship. He is right, they are the only people who are fully protected as a special class under the U.S. Constitution. Since ICWA in 1978, we know of only 40 contested Indian adoption cases, and those were almost all the result of willful violations of the act.

What is happening today is we are trying to change ICWA to protect, to protect, incompetent lawyers. The ICWA amendment ignores the important role of the extended family in Indian culture, and it will result in massive litigation.

Madam Speaker, this legislation has not had a day of hearings. I urge my colleagues to vote for the Young amendment and vote for the U.S. Constitution.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Nebraska [Mr. BEREUTER].

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Madam Speaker, this Member rises today to express his opposition to the proposed changes to the Indian Child Welfare Act.

I would grant that changes are needed, but this proposal was written with no consultation with American Indian tribes or organizations or the House Resources Subcommittee on Native American and Insular Affairs. You may be surprised to know that no tribe or Indian organization supports this provision. If there is a need to amend the Indian Child Welfare Act, hearings should be held, and tribes and Indian organizations should be consulted. The original law was written with great care and any potential amendments should be written in the same way.

The proposal is just too broadly written, giving State courts subjective authority to define who is a member of an American Indian tribe, rather than the tribe, in child custody and adoption cases. The proposal amends the Indian Child Welfare Act to require the child's biological parent or parents of Indian descent to maintain a "significant social, cultural, or political affiliation" with his or her Indian tribe. A State court would determine what comprises the definition of this term. Additionally, the measure does not take into consideration extended members of the child's family. Generally, in adoption, foster care, or child custody cases, it is agreed to be better for the child to be placed with a relative than with total strangers, if possible. This proposal seems to give preference to total strangers rather than members of the child's own family.

Madam Speaker, in closing, you should know that this Member is a very strong supporter of adoption and is in fact himself an adoptive parent. However, this provision, if left in the bill, subject to extensive litigation will only serve to needlessly delay adoptions of Indian children.

□ 1115

Ms. PRYCE. Madam Speaker, I yield 2 minutes to my good friend, the gentleman from Indiana [Mr. BURTON], an adoption advocate for this country who works so hard on the issue.

Mr. BURTON of Indiana. I thank the gentlewoman for yielding me this time.

Madam Speaker, did my colleagues know there has been an increase in the number of Indian children in foster care to the tune of 25 percent since ICWA was passed? I submit that one of the reasons is because of the uncertainty of an adoptive parent, whether or not they are going to have litigation problems and maybe lose that child a year or two after they adopt them.

Can my colleagues imagine wanting to adopt a child and they say, well, this child has one sixty-fourth Indian blood in them and because of that they may have a problem down the road with the tribe. And so the parent says, well, I want to adopt a child desperately, but am I going to have to pay \$200,000 or \$300,000 down the road to keep this child? Am I going to have roots grow in the family and love and cherish this child and have it taken away after 2 years?

And I tell Members, that happens. That actually happens. We had a case, I would say to the gentlewoman from Ohio [Ms. PRYCE], at a hearing we had this week, we had a family that adopted two children, and they did not even know these children had one sixty-fourth Indian blood, one sixty-fourth. And after 2 years, the tribe said we want those children back. The children had established roots, the parents loved the kids, the kids loved the parents, and here they were taking the kids away.

That family has spent \$300,000. They have almost lost their home because they had to mortgage it. And the case goes on and on and on, and those parents live in a nightmare, a living hell because they may have their kids taken away from them. That is wrong.

Now, I understand what my good friend, the gentleman from Alaska, DON YOUNG, is trying to do. He wants to protect the Indian tribes. But there is a bigger issue: the adoptive parents and the kids. I was in a guardian's home. I know what it is like to watch these kids go into foster care and spend years without hope and I can tell my colleagues, it is a hell.

For us to say to parents that adopt a child, we are going to take your kids away after 2 years because they are one sixty-fourth Indian, is dead wrong. And to ask them to spend \$200,000 or \$300,000 defending themselves and still lose their child is wrong. This amendment needs to be defeated.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from Rhode Island [Mr. KENNEDY], a distinguished member of the Committee on Resources.

Mr. KENNEDY of Rhode Island. Madam Speaker, the American Indian nations, to a nation, are opposed to this bill in its current form if we do not support the Young-Miller amendment to strike section 3. To a nation. This, to me, represents a shameful day if this Congress continues the shameful pattern of ignoring and stepping on the rights of native Americans in this country.

Madam Speaker, there is a reason why this bill did not come in the current form that it is in from committee, because the Committee on Resources, who has jurisdiction over this issue, decided that we need to make sure that we consult with native American nations on what is their sovereign issue when it comes to this issue.

Ladies and gentlemen of the House, please support the Young-Miller amendment.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MCHALE].

Mr. MCHALE. Madam Speaker, it is obvious from the comments that have been made in the past few minutes on both sides of the aisle that there are compassionate, well-intentioned Members arguing on each side of this case. I rise in strong opposition to the Young amendment and in support of title III of the Adoption Promotion and Stability Act as currently written.

This title seeks to provide protection and stability to children once they have been placed in loving adoptive families. Madam Speaker, I abhor the prejudice suffered by native Americans, and I am sympathetic to the safety net necessary to protect the rights of children which prompted Congress to enact the Indian Child Welfare Act of 1978. This program was desperately needed at the time that it was enacted.

However, Madam Speaker, it is abundantly clear to me that the Indian Child Welfare Act is failing the very children it was intended to protect. The unfairness of this issue was brought home to me in the case of twin Native American children adopted by the sister of a personal friend. The birth parents, unmarried at the time, signed all relevant paperwork surrendering their rights to the children. They also signed sworn affidavits to the effect that neither they nor their children were members of an Indian tribe.

When they went to finalize the adoption after the requisite 6-month waiting period, the children's tribal parents decided they wanted to exercise their custodial rights. These twin girls are almost 3 years old now, and the case is still in litigation pending before the State supreme court.

This case happened even though the children are only one thirty-second native American, Madam Speaker, because one of their great-great-grandparents was in fact native American. As a result, these children may be

taken away from the only home that they have ever known. This case is tragically indicative of the heartbreak and emotional suffering which many adoptive parents and children endure under this misapplied law.

Therefore, Madam Speaker, I urge my colleagues on both sides of the aisle, recognizing that Members of good faith and motivated by compassion can reach a different conclusion, I urge Members on both sides of the aisle to oppose the Young amendment and to sustain title III as written in the bill.

Mr. RICHARDSON. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Madam Speaker, I rise to suggest that, first of all, these atrocious cases that are pointed out as the rule are really the exception, and that if there had been a hearing, then we would know that we should not take this action.

I rise in support of the Young-Miller amendment, and I think that in respect to our responsibilities to respect the sovereignty of the Indian nations and their relationships with our Government, that we should tread lightly as we go forward here. And even though they may be well-intentioned, the proponents of this effort may be well-intentioned, it is misguided, at best.

Madam Speaker, I would hope that the Members of this House would honor our responsibility and oath to the Constitution and respect the agreements and the laws of our country as relates to our relationships with the sovereign Native American nations.

Ms. PRYCE. Madam Speaker, I yield 5 seconds to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Madam Speaker, I just want to make it very clear that I am urging Members of this Chamber to vote no on the motion to strike and to support the underlying language, the Pryce language, that is included in the bill.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Michigan [Mr. CAMP].

Mr. CAMP. Madam Speaker, I rise in support of the Young amendment to strike title III. Congress, in a long line of case law, provides Native American tribes with sovereign control of their affairs, and that includes the care and protection of their children. It is the tribes themselves who can best determine when children are native American and when the protections of the Indian Child Welfare Act apply.

Tragic adoption cases are far more common in non-Indian settings, but the solution is not to reverse a long line of precedent. Keep Indian families together, support the Young amendment to strike.

Mr. RICHARDSON. Madam Speaker, how much time is remaining on all sides?

The SPEAKER pro tempore (Mrs. MORELLA). The gentleman from New

Mexico [Mr. RICHARDSON] has 1½ minutes remaining; the gentlewoman from Ohio [Ms. PRYCE] has 2½ minutes remaining; and the gentleman from Alaska [Mr. YOUNG] has 1¾ minutes remaining.

Mr. RICHARDSON. Madam Speaker, I yield myself the remainder of my time.

Madam Speaker, first of all, this is a good bill and we should all support it, but we should support the Young amendment because the Young amendment basically says to the Indian people and Indian children and Indian families that we are going to consult with them; that we want their views on the future of their children.

The gentleman has pledged in June to deal with this legislation. This is not about white people not being able to adopt Indian children. That can happen. A tribal court can designate any kind of child with any family. Members are citing horror stories as if the horror stories are only with Indian courts. There are horror stories are only with Indian courts. There are horror stories in State courts; in all courts.

Madam Speaker, we have a special relationship with Indian tribes. They are sovereign nations within our borders. They serve in the military. They pay taxes. What we have is an unbridled attempt, regrettably, unintentional, I believe, to take away their sovereignty by saying that we, non-native Americans, are going to deal with your family values. We are going to decide your future.

Some of my colleagues may have heard about the young man who is the Navajo counsel to the Committee on Resources. He feels that he lacked the connection to his tribe because of the adoption. He supports the Young amendment. Let us consult with the tribes. There are 538 tribes, and not a one has been consulted about this bill. They oppose this provision.

Madam Speaker, the right thing to do, so that we do not have litigation, so that we do not have this bill tied up in knots and make lawyers rich, is to support the Young amendment. It is the right thing to do.

Madam Speaker, I rise because I believe in the right of Indian children and Indian tribes to be heard. As we have moved forward with this legislation, their voices have been distinctively absent.

No one wants to see drawn out, hostile, and tragic adoption cases involving Indian children. But we need to think carefully about what we're doing and how it will affect not only the Indian children but the tribes themselves and future generations of Indians. So far we have not done so, and that is why the Resources Committee that I serve on voted to strike title III from the bill. And that is why I urge my colleagues to vote for this amendment.

We did not strike these provisions lightly. Rather we did so for two reasons, both of them critical.

First we struck title III because it goes to the heart of the act—the survival of Indian cultural

and the future of their children. But, in an amazing act of presumption, not a single tribe in the country was ever consulted. Certainly you understand that we have a trust responsibility to protect Indian tribes and their resources. Congress in passing the Indian Child Welfare Act, and the Supreme Court in the 1988 Holyfield case, both recognized "that there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children."

Yet we are being asked to make major changes to the act without any tribal consultation whatsoever or even a single hearing. Every tribe in the country opposes this bill. Indian tribes don't want to see tragic adoption cases any more than you do and are willing to work in a deliberate and constructive manner to prevent them from happening. But they're being told in a paternalistic manner that they should simply sit back and accept what is good for them. This legislation, which is a reflection of that attitude, is straight out of the era of the Great White Father and the Indian tribes want none of it.

Second, the committee disagreed with title III because it adds additional requirements for Indian parents to meet before the protections of the act, namely tribal court jurisdiction, kick in. I think it is especially important to remember that while the act sets up adoption preferences it gives tribal and State courts great latitude to make any placement they want, including placement with non-Indian families, as long as there is good cause. In fact, that is exactly what happened in the 1988 Holyfield case. I disagree with the assumption that tribal courts are bound to make wrong or misguided decisions in these cases.

We were also concerned that changing the coverage requirements is not only going to exclude certain bona fide Indian children from the act's coverage, but will move the determination back from tribal courts into state courts. We passed the act in 1978 in response to the State courts' inability to grasp the nature of Indian culture.

We also disagree with title III because it would tie membership and coverage to written consent and enrollment when Indian tribes themselves do not. By focusing on the degree of Indian blood, the sponsors miss the fact that Indian tribes, as sovereign governments, have the right to set membership requirements on their own terms.

The title's heavy reliance on the parents' contacts with the tribe entirely misses the important role of the child's extended family. In Indian culture the extended family has a special role in caring for Indian children. They are the first line in representing the tribe's interest in that child and in nearly every instance when they have knowledge of a case are willing to adopt Indian children when their natural parents can't take care of them. This is a major point—unlike other minority adoption cases where there are often no prospective adoptive families, in Indian country there are more than enough relatives and families who are willing to assume custody of Indian children.

ICWA passed because we recognized that there should be someone to speak for the tribe, and for the child's interest in his or her heritage. It should be clear that tribal courts, not state courts, are going to be in a better

position to recognize this as well as be in contact with a child's relatives. The reason this is so important is because that knowledge will promote quicker foster care or adoptive placements of Indian children, something directly in their best interests.

Although I feel that the rate of troubling cases involving Indian adoptions is being overstated, I believe that even one such case is more than enough. But most of these cases have to deal with people trying to avoid the law and circumvent the equally important interest of the tribe in the child. That interest is central to the act and must be preserved. I know that the committee and the Indian tribes are willing to work with the bill's sponsors, but at the same time I cannot ignore this Nation's trust responsibility to Indian tribes and agree to legislation like this.

Madam Speaker, I include for the RECORD the following information:

THE SECRETARY OF THE INTERIOR,
Washington, DC, May 7, 1996.

Hon. GERALD B.H. SOLOMON,
Chairman, Committee on Rules,
Washington, DC.

DEAR MR. CHAIRMAN: In a letter to the Speaker, the President has stated his strong support for H.R. 3286 and its purpose of encouraging the adoption of children. However, in our role as trustee for Indians and Indian tribal governments, we would have serious concerns if an amendment were offered to H.R. 3286 for the purpose of amending the Indian Child Welfare Act of 1978 (Public Law 96-608). These concerns are addressed below.

The United States has a government-to-government relationship with Indian tribal governments. Protections of their sovereign status, including preservation of tribal identity and the determination of Indian tribal membership, is fundamental to this relationship. The Congress, after ten years of study, passed the Indian Child Welfare Act (ICWA) of 1978 (P.L. 96-608) as a means to remedy the many years of widespread separation of Indian children and families. The ICWA established a successful dual system that establishes exclusive tribal jurisdiction over Indian Child Welfare cases arising in Indian country, and presumes tribal jurisdiction in the cases involving Indian children, yet allows concurrent state jurisdiction in Indian child adoption and custody proceedings where good cause exists. This system, which authorizes tribal involvement and referral to tribal courts, has been successful in protecting the interests of Indian tribal governments, Indian children, and Indian families.

The ICWA amendments proposed in Title III of H.R. 3286, as introduced, would effectively dismantle this carefully crafted system by allowing state courts, instead of tribal courts with their specialized expertise, to make final judgments on behalf of tribal members. Such decisions would adversely affect tribal sovereignty over tribal members as envisioned by the ICWA and successfully implemented for the past 18 years.

We therefore urge the committee to disallow the reintroduction of Title III into this bill.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

BRUCE BABBITT.

DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, May 10, 1996.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Wash-
ington, DC.

DEAR MR. SPEAKER: This letter presents the views of the Justice Department on H.R. 3286, the "Adoption Promotion and Stability Act of 1996." We strongly support H.R. 3286 without the inclusion of title III. We also recommend that title II be modified to address the concerns below.

Title II: Section 201(a) of H.R. 3286 would allow any person denied the opportunity to be an adoptive or foster parent on the basis of race, color or national origin by a State, or any person aggrieved by a State's discrimination in making a placement decision in violation of the Act to sue the State in Federal court. To ensure that the immunity from suit granted States by the Eleventh Amendment does not prevent individuals from vindicating this right, we suggest that the bill include a provision clarifying that section 201 is enacted pursuant both to Congress' authority under section 5 of the Fourteenth Amendment and to its spending power under article I of the Constitution. Alternatively, section 201 could be modified to expressly require a State to waive its Eleventh Amendment immunity from suits brought pursuant to H.R. 3286, as a condition of receiving Federal payments for foster care and adoption assistance.

Title III: A. Detrimental Impact on Tribal Sovereignty. The proposed amendments interfere with tribal sovereignty and the right of tribal self-government. Among the attributes of Indian tribal sovereignty recognized by the Supreme Court is the right to determine tribal membership. *Santa Clara Pueblo v. Martinez*, 436 U.S. 49 (1978). Section 302 of H.R. 3286 provides that membership in a tribe is effective from the actual date of admission and that it shall not be given retroactive effect. For persons over 18 years of age, section 302 requires written consent for tribal membership. Many tribes do not regard tribal enrollment as coterminous with membership and the Department of Interior, in its guidelines on Indian child custody proceedings, has recognized that "[e]nrollment is the common evidentiary means of establishing Indian status, but is not the only means nor is it necessarily determinative."¹ Through its membership restrictions, H.R. 3286 may force some tribal governments to alter enrollment and membership practices in order to preserve the application of the ICWA to their members.

B. Detrimental Impact on Tribal Court Jurisdiction. H.R. 3286 would amend the ICWA to require a factual determination of whether an Indian parent maintains the requisite "significant social, cultural, or political affiliation" with a tribe to warrant the application of the Act. Title III fails to indicate which courts would have jurisdiction to conduct a factual determination into tribal affiliation. To the extent that State courts would make these determinations, H.R. 3286 would undercut tribal court jurisdiction, an essential aspect of tribal sovereignty. See *Iowa Mutual Ins. Co. v. La Plante*, 480 U.S. 9, 18 (1987). Reducing tribal court jurisdiction over Indian Child Welfare Act proceedings would conflict directly with the objectives of the ICWA and with prevailing law and policy regarding tribal courts.

The President, in his Memorandum on Government-to-Government Relations with

Native American Tribal Governments (April 29, 1994), directed that tribal sovereignty be respected and tribal governments consulted to the greatest extent possible. Congress has found that "tribal justice systems are an essential part of tribal governments and serve as important forums for ensuring public health and safety and the political integrity of tribal governments." See Indian Tribal Justice Act, 25 U.S.C. 3601(5). Retaining ICWA's regime of presumptive tribal jurisdiction is crucial to maintaining harmonious relations with tribal governments, to ensuring that the tribes retain essential features of sovereignty and to guarding against the dangers that Congress identified when it enacted ICWA in 1978.

Thank you for the opportunity to comment on this matter. If we may be of additional assistance, please do not hesitate to call upon us. The Office of Management and Budget has advised that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

STATE OF NEVADA,
EXECUTIVE CHAMBER,
Carson City, NV, May 8, 1996.

Hon. NEWT GINGRICH,
Speaker, The House of Representatives, Wash-
ington, DC.

DEAR MR. SPEAKER: I am writing in opposition to H.R. 3286, which is designed to amend the Indian Child Welfare Act (ICWA). This legislation strives to redefine which off-reservation child custody cases should be considered under the Indian Child Welfare Act. As the Governor of a state that has taken several proactive steps to guarantee efficient enforcement of the ICWA, I feel compelled to express my opposition to this legislation.

As you know, the ICWA grants tribal governments the option to hear Indian child custody cases for families they recognize as having a relationship to the tribe but do not live on the tribe. It is the intent of the ICWA to give Indian children every opportunity to maintain their cultural background and give them the ability to grow up as Indian people. Trying these cases in Indian courts is a significant measure for ensuring these goals.

H.R. 3286 changes the definition of off-reservation families who may be able to have their case heard by a tribal government. Under this amendment, one of the parents of the child must be of "Indian descent." In addition, the amendment requires a subjective "significant social, cultural, or political affiliation with the Indian tribe." It would no longer be up to the Indian family and the tribe to determine if a bona fide relationship between the two exists. Instead, state and private custody workers would have to interpret the guidelines outlined in H.R. 3286 to determine if the case could be heard in a tribal court. This interpretation will undoubtedly be challenged in court. Rather than decreasing litigation under the ICWA, this amendment will likely increase litigation.

When fully complied with, the ICWA effectively places Indian children with caring families. The State of Nevada has worked hard to ensure that the ICWA is complied with, and proper compliance has successfully placed Indian children in proper homes. I do not support the passage of H.R. 3286, which will complicate the placement and adoption of Indian children.

Thank you for your consideration.

Sincerely,

BOB MILLER,
Governor.

¹Guidelines for State Courts: Indian Child Custody Proceedings, 44 Fed. Reg. 67,586 (Nov. 6, 1979).

WHY TITLE III OF H.R. 3286 IS BAD FOR INDIAN CHILDREN

Title III of H.R. 3286 is bad for Indian children and the future of Indian tribes. The title would limit the ability of tribal courts to place Indian children in loving families and would allow state courts to take over the placement of Indian children against the wishes of Indian tribes. Lost in the controversy is the voice of the Indian children. We need to speak up for them.

Procedural problems: Title III goes to the heart of the Indian Child Welfare Act (ICWA), the protection of Indian children, yet its sponsors did not bother to consult with even a single Indian tribe before trying to rush it through the House. Congress has a trust responsibility to protect Indian tribes and their resources. Congress passed ICWA because "there is no resource that is more vital to the continued existence and integrity of Indian tribes than their children." Not a single tribe in the country supports this bill. Indian tribes do not want to see tragic adoption cases any more than the rest of us and are willing to work in a constructive manner to prevent them from happening. But Indian tribes resent the sponsors' paternalistic attitude, straight out of the era of the Great White Father, and that is why the Resources Committee struck Title III. Would Congress pass an adoption law affecting California without first consulting the state?

Substantive problems: Congress enacted ICWA to stop the removal of Indian children from their tribes and to ensure the long-term cultural survival of those tribes. To do so, ICWA guards not only the interests of Indian children but also the interests of Indian tribes in those children. Title III harms the former and ignores the latter.

ICWA works well. Indian children have been placed in loving homes and the removal of children from their culture has diminished. Unlike other minority cases, there is no shortage of families willing to adopt Indian children. Less than one-half of one-tenth of all Indian adoption cases since passage of ICWA have caused problems. Focusing on a handful of cases ignores the fact that most of these "problem" cases are the direct result of willful violations of ICWA and can be solved through greater notification requirements and sanctions.

Title III eliminates tribal court jurisdiction in off-reservation adoption or foster care cases unless a parent is a member of a tribe and can prove "significant social, cultural or political affiliation" with that tribe. Focusing on the parents' contacts with the tribe entirely misses the importance of the extended family in Indian culture. The extended family has a special duty to care for that child. If given notice, in 99% of the cases there is always a relative who is more than glad to raise an Indian child when his parents cannot. Title III misses that point that those relatives have strong or significant ties to the tribe.

By limiting tribal court jurisdiction in off-reservation cases, Title III will slow down the adoption process for Indian children. ICWA was passed because tribal courts are naturally in a better position than state courts to know whom an Indian child's relatives are and can thus more quickly assure the placement of Indian children in caring families. The "significant affiliation" test gives back to state courts the primary role in off-reservation cases.

Title III's vague terms are likely to cause an increase in litigation further delaying Indian adoptions. In addition, replacing a sim-

ple objective political test—membership—with a complex and subjective cultural identity test may be unconstitutional.

Eliminating retroactive enrollment will exclude certain bona fide Indian children and parents from the Act's coverage. Few tribes have the funds to enroll children at birth and many Indian parents are teens who have not enrolled because they have not sought Indian Health Service care or BIA scholarships.

In nearly every case cited by Rep. Pryce, the real issue is not custody but whether the proper forum for the dispute is in tribal or state court. Her premise is that a tribal court will abuse ICWA and only place Indian children with Indian families. That is not the law nor is that what tribal courts have done as a matter of practice.

Degree of Indian blood is not an issue. Indian tribes, as governments, have the right to set membership requirements on their own terms. The second largest tribe in the country, the Cherokee Nation, does not use blood quantum for membership.

Rep. Pryce's allegations assumptions are erroneous. For instance, ICWA does not give tribes "final say" in adoption proceedings. Contrary to her assertions, ICWA was intended to apply to voluntary proceedings. It is not true that there are judicial abuses of ICWA in every member's district. And her changes to ICWA are anything but "minor".

Indian tribes have already suffered enough loss. Why can't Congress work on making their lives better rather than taking even more away from their culture? When ICWA is followed by all of the parties and when tribal concerns are taken into account in determining the best interests of the child, ICWA works for Indian children. We should not let passage of this title turn back the clock to the point where we once again see tragic stories of Indian children taken away forever from their culture.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,

Washington, DC, May 9, 1996.

STATEMENT OF ADMINISTRATION POLICY
H.R. 3286—THE ADOPTION PROMOTION AND STABILITY ACT OF 1996

The Administration strongly supports H.R. 3286, without the inclusion of Title III. Today, families who seek to adopt children face significant barriers, including high adoption costs and outdated assumptions. The Administration is deeply committed to removing these barriers and making adoption easier. The Administration strongly supports the bill's \$5,000 per child adoption tax credit. The tax credit will alleviate a primary barrier to adoption and enable middle class families, for whom adoption may be too expensive, to adopt children. The Administration also supports the adoption and foster care provisions in Title II of the bill. These provisions are consistent with the Administration's current policy.

The Administration strongly supports passage of a Young amendment, which has bipartisan support, to strike Title III from the bill. Title III would allow State courts to pre-empt tribal governments in decisions regarding the custody of Indian children. These provisions raise serious concerns because they would impinge on Indian tribal sovereignty, including the right of tribal courts to determine internal tribal relations.

The Administration will work with Congress to identify more suitable offsets to the lost tax receipts resulting from the bill's adoption tax credit. The Administration opposes the offset provision that would repeal

the income exclusion for utility payments to businesses for energy conservation investments; the provision would effectively increase the taxes on these investments. By ending an important market-based incentive to conserve energy, the provision would undercut our ability to achieve clean air and energy security. The bill's other offset—tightening the reporting requirements for U.S. holders of foreign trusts—is included in the President's balanced budget proposal for purposes of deficit reduction.

Pay-as-you-go scoring

H.R. 3286 will affect receipts; therefore it is subject to the pay-as-you-go requirement of the Omnibus Budget Reconciliation Act of 1990. OMB's preliminary scoring estimate is presented in the table below. Final scoring of this legislation may deviate from this estimate.

Pay-as-you-go estimate

(Receipts in millions)

	Receipts
1996	+\$110
1997	+318
1998	+224
1999	+154
2000	+99
2001	+56
2002	+16
1996-2002	+977

FEDERAL BAR ASSOCIATION,

Washington, DC, May 9, 1996.

Re proposed Indian Child Welfare Act Amendments, H.R. 3286 (Title III) and H.R. 3275.

DEAR CONGRESSMAN YOUNG: On behalf of the Indian Law Section of the Federal Bar Association, I would like to register the Section's opposition to the amendments to the Indian Child Welfare Act of 1978 that have been proposed in Title III of H.R. 3286, and in H.R. 3275. It is our understanding that H.R. 3286 was introduced yesterday, and that a floor vote will be taken later on this evening.

While the Indian Law Section may, in the future, articulate a position regarding the substance of the amendments that have been introduced, at present the Section adamantly opposes passage of the legislative amendments simply because the manner in which they have been introduced is wholly inappropriate—and dangerous. It is our understanding that members of the House of Representatives have introduced these amendments without notifying Native American leaders of the proposed amendments, and without offering the Native American community, and those attorneys and other individuals who work on behalf of Native American children, an opportunity to offer testimony to the Congress regarding the impact that these amendments will have on those Native American children. If, in fact, members of the House of Representatives are truly concerned with amending the Indian Child Welfare Act so that it more adequately addresses all of the needs of those Native American children who must be removed from their families, it would be more appropriate that Congressional representatives conduct hearings regarding any proposed amendments—rather than acting emotionally in response to a few cases that have received national press. It is imperative that our Representatives in Congress act responsibly, and responsively, when making decisions of such import on behalf of any children. It cannot be disputed that informed decisions—ones that reflect careful and considerate thought—require tremendous commitments of time, and necessitate gathering information from all sectors of the community

who have information relating to the matter at hand. I am particularly bothered by the fact that decisions affecting children—decisions that will affect those children's lives, and the lives of their own children, and their children's children—are being made in such haste. As someone who has litigated literally hundreds of Indian Child Welfare Act cases over the years, I am not unaware that there are problems that could be addressed by amending the Act. Yet, as a children's advocate, I am appalled that anyone within the House of Representatives believes that these problems could—and should—be addressed without careful consideration.

We implore you to persuade your colleagues to refrain from voting in favor of these proposed amendments, and to offer the community an opportunity to respond intelligently and thoughtfully to these issues.

Sincerely,

DONNA J. GOLDSMITH,
Deputy Chairperson,
Indian Law Section.

**SUPPORT THE YOUNG-MILLER AMENDMENT—
STRIKE TITLE III FROM H.R. 3286**

Title III is a major rewrite of the most important provisions of the Indian Child Welfare Act done without a single hearing or discussion with even one of the 557 Indian tribes this bill affects!

The Administration strongly opposes this title.

Do not be misled. ICWA works. ICWA protects the rights of Indian children and the future of Indian tribes. Under ICWA, thousands of Indian children have been placed in caring Indian and non-Indian homes.

We should not rewrite a good law simply because of a handful of unusual cases. Tragically, adoption cases are far more common in non-Indian settings. States have a terrible record in adoptive and foster care placements. Yet that is where title III's sponsors want Indian cases to go.

Almost all of the tragic cases are the direct result of willful violations of ICWA by attorneys, not because of problems with ICWA.

Unlike other minority cases, there is no backlog of Indian children waiting in foster care. In Indian culture, extended families have a special duty to children and in 99% of the cases a relative will agree to assume custody.

ICWA has nothing to do with a tribe taking away Indian children from their parents. The real issue is which court—state or tribal—is in best position to make a placement decision. Title III assumes tribal courts cannot make fair decisions. That is not the case. Any court, state or tribal, is free to place an Indian child with a non-Indian family with good cause.

Title III will slow the adoption of Indian children. ICWA was enacted because tribal courts are in a better position than state courts to identify an Indian child's family and quickly place them in permanent homes.

GEORGE MILLER.
DON YOUNG.

Ms. PRYCE. Madam Speaker, I yield 2 minutes to the gentleman from the great State of Texas, Mr. TOM DELAY, our Republican whip.

Mr. DELAY. Madam Speaker, I rise in reluctant opposition to this amendment offered by my good friend, the gentleman from Alaska [Mr. YOUNG]. He is a vigorous advocate for his constituents and I know he has the best intentions with his amendment, but I urge my colleagues to support the pro-

vision of the gentlewoman from Ohio and vote against this amendment.

History has been cruel to many Native Americans, and there is no doubt that the past treatment of American Indians still plays on the minds of the people who support this amendment. But today we must not only look at the past but also to the future. More specifically, we must look to the future of the children who have been victimized by the well-meaning regulations stemming from the Indian Child Welfare Act. Reform of this act is necessary. Simple fairness dictates that conclusion.

I look forward to continuing to work with all concerned parties in conference where we can work out our differences, but the Young amendment is the wrong approach to finding that agreement in conference. Children who have no significant affiliation with any particular tribe and who are adopted by loving parents should not be unfairly taken from those parents.

Prolonging any child's stay in foster care, when there are moms and dads just waiting to care for that child, simply because they may have a fraction of ethnic blood different from that of the parent, is just plain wrong.

A member of my staff was adopted after being in various foster homes for the first 6 months of her life. It was later discovered that she had one-sixteenth Indian blood. Had the Indian tribe interfered with her adoption, she would have ended up trapped in foster care, bounced around from one temporary home to the next, and possibly been prevented from ever having a stable and loving family to help care for her. She was one of the lucky ones. Many others are not so lucky.

My friends and colleagues, these adoption reforms are based on fairness. It is time that we start making the children's welfare our top priority. Vote no on the Young amendment.

Mr. YOUNG of Alaska. Madam Speaker, I yield 1 minute to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Madam Speaker, I rise in strong support of Chairman YOUNG's effort to strike title III of this bill.

Title III is a classic case of legislative overkill and an attempt to circumvent standard House procedures at a time when this body is dedicated to avoiding both those legislative sins.

Title III was included in this bill without any substantive hearings and over the strong bipartisan objections of the committee of jurisdiction. More importantly, it was pushed forward without any consultation with any Indian tribes, such as the Oneidas in my district, even though the tribes are the entities most directly affected. Contrast that with the numerous hearings and scrupulous research that went into drafting ICWA, and you can see why we

try to have standard procedures around here.

The proponents of title III complain about ICWA's unintended consequences—which are rare—but they say nothing about the unintended consequences of their own provision—which are systemic. Title III would complicate adoption proceedings, and could return us to the problems that led Congress to pass ICWA in the first place—State courts taking away Indian children.

Madam Speaker, no one can gainsay the emotional damage done in the cases cited by title III's proponents. But title III goes far beyond what is necessary to correct those problems. Title III is clearly an instance where a hard case has made bad law. Vote to strike title III.

□ 1130

Ms. PRYCE. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, there has been much talk about circumventing the committee process and no hearings and no input. Madam Speaker, I tried for over a year to consult with the committee to try to get input from the tribes and their organizations. I have written letters. I have held meetings to which nobody appeared.

Madam Speaker, it was very obvious that we cannot get this through the committee. That is why it did not go that way.

Congress made this mess 20 years ago. It is up to us to pass this very minimal change in ICWA to correct it. If it does not pass now, we will have the status quo for another 5 years.

I pledge to the chairman, if this passes today, I will work with him through the conference process to get this ironed out so that it can be satisfactory to all involved, when I finally can have the input of the committee and the Indian nations so that we can come to the correct solution to this terrible tragic problem.

The SPEAKER pro tempore (Mrs. MORELLA). The gentleman from Alaska [Mr. YOUNG] has 45 seconds remaining.

Mr. YOUNG of Alaska. Madam Speaker, I yield 45 seconds to the gentleman from Maryland [Mr. GILCHREST].

Mr. GILCHREST. Madam Speaker, this issue is a divisive issue that we are debating here on the House floor. There is no one single Utopian answer for the problems that we are now experiencing. The history of America's involvement with Native Americans has been rife with hatred, violence, bitterness, limited streams of compassion, and it has all rested on the pillars of apathy.

The children that the gentlewoman from Ohio [Ms. PRYCE] represents should stay with that family. Anybody that is like that situation should stay with the family. We should have no

problems with people piling up in foster homes because of limited connections with anybody, even American Indians, Native Americans. What we need to do as a body, as a Congress, is have some sense of knowledge on this subject.

I will tell the gentlewoman from Ohio [Ms. PRYCE] and the gentleman from Alaska [Mr. YOUNG] that I will work in the intervening month between now and when the Indians meet in about a month to ensure that there are corrective changes.

The SPEAKER pro tempore (Mrs. MORELLA). The time of the gentleman from Maryland [Mr. GILCREST] has expired.

Mr. GILCREST. Madam Speaker, I ask unanimous consent to proceed for an additional minute.

The SPEAKER pro tempore. The Chair is unable to entertain that request. The time is controlled pursuant to House Resolution 428.

Mr. GILCREST. Madam Speaker, I will assure Ms. PRYCE that we will work to make sure those particular incidents, no matter how few or no matter how many, are corrected.

Ms. PRYCE. Madam Speaker, I yield such time as she may consume to the gentlewoman from Idaho [Mrs. CHENOWETH].

(Mrs. CHENOWETH asked and was given permission to revise and extend her remarks.)

Mrs. CHENOWETH. Madam Speaker, I rise in opposition to the motion to strike title III.

I understand the Indian Child Welfare Act originated out of concern that there were large scale efforts to remove Indian children from their homes and place them for adoption for unwarranted reasons.

Unfortunately, the interpretation of this law has resulted in tragic consequences for children across this country. In my district, a non-Indian woman and Indian man gave their child up for adoption to Leland and Karla Swenson of Nampa.

Even though the Indian father's parental rights were terminated by the court, his tribe, the Oglala Sioux of South Dakota, intervened in the adoption case and appealed the adoption.

Idaho Legal Aid, which is funded by Legal Services Corporation, stepped in to represent the tribe, which turned into a 6-year nightmare for the adoptive parents, who have sold their home, their farm, and their belongings to fight this case. The non-Indian mother never challenged the adoption, and in fact, objected to the tribe intervening.

It's important to keep one thing in mind—in this case, the Indian father abandoned his child. He never appeared for any of the hearings relating to the adoption and subsequent tribal action. It was the tribe, not the Indian father, who continued to appeal the adoption through the tribal and State courts, at enormous taxpayer expense. Just whose interests were they serving? Certainly not the child's.

I applaud Ms. PRYCE's efforts to try to correct the inequities in this act, and my heart

goes out to the family in her district that have had legitimate adoptions disrupted because of the Indian Child Welfare Act. I have been contacted by Native Americans in Alaska and Montana that agree that the Indian Child Welfare Act needs to be amended.

After a long, heartwrenching battle, the Idaho Supreme Court ruled in favor of the Swensons keeping the child.

This is not an anti-Indian bill, it's a pro-child bill. Ms. PRYCE's bill intends to correct the tragic abuses of adoption that are occurring across the country, and I applaud her efforts.

Mrs. VUCANOVICH. Madam Speaker, I offer my support to the Young amendment to H.R. 3286 which would strike title III, a provision which makes significant changes to the 1978 Indian Child Welfare Act.

ICWA was designed to prevent the wholesale separation of Indian children from their families, and was only passed into law after 10 years of careful study and close cooperation between Indian tribes and Congress.

Unfortunately, title III will add a new subjective determination of who is, and who is not, an Indian by allowing courts to decide what constitutes being culturally, politically, and socially affiliated with a tribe. It will also ignore the important role of the extended family in Indian culture.

In addition, these provisions were written without input from Indian tribes and without hearings held in the Resources Committee under whose jurisdiction ICWA falls.

I urge my colleagues to support the Young amendment and allow us time to carefully consider any changes to the Indian Child Welfare Act.

Mr. SMITH of New Jersey. Madam Speaker, I rise today in strong opposition to my good friend and colleague from Alaska's amendment to strike the Indian Child Welfare Act reforms from this bill.

The dismal numbers on adoption make it clear that our laws have created severe roadblocks for adoption in this country. No one disagrees with that.

Roughly 55,000 adoptions are finalized each year in this country—down from 89,000 in 1970. Yet 500,000 kids languish every year in foster care. Many of them are not special needs kids or at least they were not, before they entered the system. Many of them are children who, at one time, could have easily been placed with the estimated, 2 million couples that are currently waiting to adopt a child. These numbers didn't just happen by accident. It was bad laws that failed these kids.

One of the worst examples of this is how the Indian Child Welfare Act has been misused to promote a political theory at the heartbreaking expense of some very real children and families, as well as the entire institution of adoption.

It is tragic, unenlightened and unnecessary. Some of you may have read about the Swenson case. Shortly after his birth, Casey Swenson's birth mother, who is not native American, placed Casey for adoption. This woman courageously made the decision to place her child in the care of a couple who, among other things, shared her faith in the LDS Church.

Casey's birth father is Oglala Sioux but he has never sought custody of Casey. He has

had nothing to do with the boy from day one. He has totally abandoned the child. The tribal counsel, also, never voted to seek custody.

A tribal bureaucrat, however, whose job is to administer Indian Child Welfare Act grant money, decided to expand his turf and seek custody of the child for the tribe—in opposition to the birth mother's wishes. He enlisted the help of Idaho Legal Services for the job.

Mercifully the Swensons prevailed. But it took 6 years of litigation—all the way to the Idaho Supreme Court—and over \$100,000 in legal fees. The Swensons lost their home and farm too; not to mention many cruel, sleepless nights for the child, his sister, the birth mother, and his adoptive parents.

Keep in mind one thing which we know from actual case histories. When a birth mother, who falls under the Indian Child Welfare Act, but does not want her child raised by a tribe, hears of these adoption nightmares it sends a very clear message: Adoption may present a long and hard court battle with no ultimate control over the outcome. Abortion or single parenting, on the other hand—her other two options—present total control over the ultimate custodial arrangement.

Why this legal disincentive to adopt when it presents such an enriching option for the child? The extraordinary power of the tribes to veto adoptions has reached children with as little as 1/64 Indian blood. A vote for the Young amendment is a vote for a legal incentive to abort or single-parent.

It is insane to allow this. Tribes are important cultural and political institutions but not so important that they should trump a mother's interest in who will raise her children in the event that she cannot.

Not a single person here would tolerate a law which mandated that, in the event of your own incapacity, you could not place your child in the care of a close friend who shared many of your religious or cultural views on parenting—simply because your ethnicities did not match.

The Indian Child Welfare Act now means as much. To say that because you come from, say, Irish descent and your friend is Polish, or African-American, then the Government can exclude them from consideration for custody is obscene. Would any of us tolerate such a law for ourselves? No. So don't vote for this one. This is supposed to be America and the Indian Child Welfare Act was never meant to cover voluntary adoptions.

It is the height of hypocrisy to legislate for others what you would not tolerate for yourself. Lets not do it here. Defeat the Young amendment. Keep the Pryce provisions in this bill for the good of all children and parents who may at some point need sensible adoption laws.

Mr. TAYLOR of North Carolina. Madam Speaker, I rise in support of the Young amendment to strike title 3 from H.R. 3268.

Yesterday, I met with the principal chief of the Eastern Band of Cherokee Indians, Joyce Dugan, from my district. While title 3 is being pushed to rectify a very small number of problematic Indian adoption cases, the Indian Child Welfare Act, in fact, works quite well.

Very few cases are contested and out of the thousands that have been processed, only 40 have been litigated. Until now.

Title 3 would limit the application of the Indian Child Welfare Act to certain Indian children whose parents have maintained a significant social, cultural or political affiliation with an Indian tribe.

Title 3 will create a whole new layer of redtape on adoptions, and leaves implementation to the courts.

State courts will now have to hold additional hearings on what sort of affiliation certain Indian children's parents have had with a tribe.

Courts will have to decide what is significant and what is not.

Courts will have to decide what amounts to affiliation and what does not.

Courts will have to decide what affiliation can be expected of a 16-year-old mother or of a 16-year-old father. And then they'll have to reconsider the same question for a 30-year-old set of parents.

The one thing you can count on is that title 3 will be litigated and litigated and litigated.

Title 3 is an adoption lawyer's dream come true. More litigation, more proof, more time in court arguing about whether the law says this or that or more redtape. More billable hours. More expenses.

Everybody loses except the lawyers.

I urge my colleagues to adopt the Young amendment and delete this redtape from the bill.

Mr. HUTCHINSON. Madam Speaker, I rise in strong support of the rule and the bill H.R. 3286, a measure which would help families defray adoption costs and promote the adoption of minority children.

Today, there are more couples who want to adopt and more children in need of a loving home than ever before. According to estimates by the National Council for Adoption, at least 2 million couples would like to adopt. Yet only about 50,000 adoptions occur annually.

Tragically, this number has been dropping since the 1970's. During the last quarter century we have experienced a dramatic rise in numbers of children born out of wedlock, children being raised by single parents, and children entering the foster care system because of abuse and neglect. At the same time there has been a decrease of almost 50 percent in the number of formal adoptions.

As we continue to see the disintegration of the family, it is incumbent upon those of us in Congress to enact legislation which promotes and encourages adoption. We need to make it easier and more affordable.

The average cost of adopting a child is \$20,000. This legislation provides for a \$5,000 tax credit to help offset the costs of adoption as well as a \$5,000 tax exclusion for employer-sponsored adoption assistance.

Perhaps more significantly this bill will go a long way toward assisting the adoption of children currently in the foster care system. Today there are approximately 500,000 children in the custody of various State foster care programs.

Unfortunately, many States have enacted laws and regulations which allow agencies to delay placing a child in an adoptive home on the basis of cultural or ethnic differences. As a result 40 percent of African American children spend more than 4 years waiting to be adopted while only 17 percent of white children wait that long.

H.R. 3286 would prohibit State and private agencies from delaying or denying the opportunity to become an adoptive parent on the basis of race, color, or national origin of the child or the applicants.

There is also a myth that families only want to adopt healthy, newborn children. In fact, Mr. Speaker, many families adopt special needs children. The National Down's Syndrome Adoption Exchange reports a waiting list of over 100 couples who would like to adopt a child with Down's syndrome—more than enough to accommodate parents who want Down's children given up for adoption.

Several weeks ago I had the opportunity to meet with representatives of the Arkansas Department of Human Services. They discussed with me the success they have had in placing special needs children. One of the adoption specialists told me that in the last 16 years she has made 357 placements in a seven-county area of northwest Arkansas—over 75 percent of them special needs children. I was told of one family who already had two birth children when they adopted a sibling group of two, a sibling group of three, and two African American infants with spina bifida. Several of the children have emotional or behavioral problems, and several are learning disabled.

Another family was unable to have birth children. They adopted a child privately and then added two African American children with disabilities.

Still another family, with grown children, adopted an African American foster child with many physical and developmental disabilities and have sacrificed a comfortable middle age to meet this child's needs.

These are only a few of the many families in northwest Arkansas who have opened their hearts and their homes to children in need.

Finally, Madam Speaker, the subject of adoption is one that hits very close to home for me. My legislative director is herself adopted. She described her feelings of adoption to me in the following way:

"Mom and Dad took me home, gave me their name, their protection, and their love. They shared with me their family—brothers, Aunts, Uncles, Cousins, and grandparents—who claimed me as their very own. Together they provided a foundation from which I have been able to return a small portion of the abundant love and care that they have given me to the world in which I live."

Madam Speaker, would that every child in America be able to make such a statement. I urge the swift passage of H.R. 3286.

Mr. WELDON. Madam Speaker, I rise today to express my strong support for H.R. 3286, the Adoption Promotion and Stability Act of 1996. Since the late 1960's, the number of children who have been adopted has declined by at least 33 percent, while the number of children born to unwed mothers has increased 400 percent over the same period. In light of these startling statistics, Madam Speaker, some action must be taken. Legislative support for families that wish to adopt and children that wish to be adopted is long overdue.

I believe that the tax credit to defray the overwhelming cost is a major step in making adoption possible for more families. Phased out at incomes over \$75,000, this tax break is specifically targeted to help those who most

need it. Furthermore, for every child adopted because of this tax credit, the American people save the \$20,000 to \$30,000 it takes every year to support a child in Federal, State, or foster care.

The second major step this legislation takes is prohibiting State and local entities from denying or delaying a child's adoption because of race, color, or national origin. As much as 49 percent of America's 500,000 foster children are minorities, Madam Speaker; there is no reason for them not to find a place in the many loving, permanent homes waiting to adopt them.

I urge my colleagues to join me in supporting H.R. 3286. As a member of the Congressional Coalition for Adoption, I will continue to support legislation to ease restrictions and encourage adoption. As a Member of Congress, I will continue to support anything that makes the American family stronger.

Mr. BARRETT of Wisconsin. Madam Speaker, I am pleased to support H.R. 3286, the Adoption Promotion and Stability Act of 1996.

It is a sad reality that there are far too many potential adoptive parents who can handle the day-to-day expenses of raising a child, but who can't afford the initial adoption costs which are often in excess of \$5,000. While insurance covers health care costs for adopted children, it fails to address the skyrocketing costs of adoption fees. This is essentially discriminatory because insurance covers the costs of maternity stays, but fails to address the similar needs of adoptive families.

H.R. 3286 ensures equity for adoptive parents by providing a \$5,000-per-child tax credit to offset adoption costs. The bill also encourages the adoption of foster children by requiring States to adhere to a nondiscriminatory policy in matching children with parents. Currently there are 450,000 to 500,000 children in foster care, so moving these children into loving, adoptive families must be a top priority.

I introduced similar legislation, H.R. 1819, at the beginning of the 104th Congress which also would have provided tax relief for adoptive families with an even larger credit going to those who choose to adopt a foster child. I am pleased that H.R. 3286 addresses the concerns of my legislation, and I strongly supported the passage of this landmark legislation.

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today to express my support for H.R. 3286, the Adoption Promotion and Stability Act. Families wishing to adopt today face a number of barriers, including prohibitive costs, complex regulations, and outdated assumptions. This bill will make it possible for more families to provide permanent, stable, and loving homes for children in need by providing tax credits to adoptive families and employers, and by ensuring that adoptions are not delayed or denied because of a child's race, ethnicity, or national origin.

Adoption costs now constitute a major disincentive to adoption. The cost of adopting a child in the United States ranges from \$10,000 to \$20,000, and in the case of an international adoption, the cost may reach \$35,000. This legislation would provide a \$5,000 nonrefundable tax credit for qualified adoption expenses and an exclusion of up to \$5,000 for amounts received by an employee for qualified adoption

expenses under an employer adoption assistance program, thus providing needed assistance to middle- and low-income families willing to adopt.

According to the American Public Welfare Association [APWA], a total of 657,000 children were in the Nation's foster care system during 1993, about half of whom are minorities. A 1-day count of children in foster care in 1993 showed 445,000 children in foster care and other group care settings—an increase of about two-thirds over the 1-day count 10 years earlier and this number has continued to increase. Five States—Texas, California, Illinois, Michigan, and New York—together account for almost half of all children in foster care.

Clearly, we must do something to decrease the number of children in foster care and group homes and increase the number of children in loving and permanent homes. In my home State of Texas, the number of children under the age of 18 living in foster care in 1993 was 10,880. This represents an increase of 62.4 percent from 1990, and the number continues to climb. Similarly, the number of children living in a group home in 1990 was 13,434.

Approximately one-half of these 13,434 children are minorities. Studies have shown that minority children wait longer to be adopted than do white children. According to the National Council for Adoption [NCFA], African-American children constitute about 40 percent of the children awaiting adoption in the foster care system and these children wait twice as long—in some jurisdictions four times as long—as white children for adoptive homes.

This legislation would prohibit States and entities receiving Federal funds from delaying or denying the placement of a child for adoption or foster care on the basis of race, color, or national origin. While I do not believe that race should be the sole criteria in determining the placement of a child in an adoptive home, I do believe that it must play a role in determining placement. States and entities must make an effort to ensure that prospective adoptive parents of a child from a different race are sensitive to the child's cultural background.

It is important that such children grow up in an environment that is respectful and appreciative of the child's heritage. Unfortunately, our society is not color blind, and therefore, States and agencies must ensure that adoptive parents of minority children are sensitive to the issues that may arise as the child gets older, including dealing with discrimination and questions the child may have about his or her cultural background. I believe that our native Americans should have the right of utilizing their cultural heritage in the sensitive issue of adoption and foster care for Indian children. I supported the Young amendment.

In no way, however, should this policy result in children languishing in foster homes for extended periods of time or in adoptions being delayed or denied when loving, caring parents are ready to adopt.

Federal policies should encourage and facilitate, not hamper, adoption efforts. The Adoption Promotion and Stability Act sends a signal to prospective adoptive parents that our Nation encourages adoption and will help to make adoptions possible and I urge my colleagues to support it.

Mr. ROEMER. Madam Speaker, I rise in strong support of H.R. 3286, the Adoption Promotion and Stability Act of 1996. Knowing of the importance adoption plays in the lives of American families, Congress should do more to help facilitate and promote its benefits.

Unquestionably, this legislation would tear down the financial burden imposed on adoptive parents. These expenses can add up to \$20,000 in 1 year, and continue to be the primary disincentive to middle-class families. While families who have children born to them often enjoy the costs of birth covered by health insurance, adoptive families have no such support. H.R. 3286 offsets this imbalance and makes the process a more financially viable option for middle-income parents to build families through adoption.

Madam Speaker, few can argue that adoption does not result in moving children out of foster homes and providing the benefit of a solid home and possibilities for a bright future. The benefits of adoption exist not only with the adopted child, but with the biological mother and society as well. Adoption can help break the cycle of abortion that too often takes place with young girls having babies out of wedlock. By choosing adoption, women can make the right decision—not to have an abortion.

At the same time, adoption can help break the cycle of single parenting. More than 80 percent of all females born to single mothers under the age of 16 become teenage mothers themselves. By choosing adoption as an alternative to single parenting, these women might continue their education, develop job skills and a sense of independence, and live the rest of their lives knowing they were not forced to choose abortion over single parenting.

Madam Speaker, this is a matter of fairness to adoptive families. H.R. 3286 is good public policy and I urge my colleagues to support it.

Mrs. SMITH of Washington. Madam Speaker, I rise in support of the Adoption Promotion and Stability Act. As a mother and grandmother, I can tell you that adoption creates families where we would otherwise have children languishing in foster care and couples denied a heartfelt desire to raise a family.

Due to the costly nature of adoption, it is only right that we provide families with some financial relief. The average cost of an adoption is \$20,000. The \$5,000 tax credit helps to alleviate the financial pressures and may make the real difference in a couple's decision to adopt.

This legislation also provides a commonsense clarification of the Indian Child Welfare Act without infringing upon the rights of the Native American community. A child with no significant cultural, social, or political affiliations should be allowed to be put up for adoption if it is the wish of the birth parents. When I chaired the Youth and Family Services Committee in the Washington State Senate, I had extensive experience with the Indian Child Welfare Act. While I respect the original intent of the act, I believe that standing in the way of a child's welfare due to the arbitrary decision of a tribal court is egregious. The only result has been heartbreak for countless families.

I urge my colleagues to support the Adoption Promotion and Stability Act. It is pro-child and pro-family.

Mr. HAYWORTH. Madam Speaker, I rise in support of the Young amendment which would strike title III from H.R. 3286, the Adoption Promotion and Stability Act.

Last week, my colleagues and I who sit on the Resources Committee voted unanimously to strip title III from this legislation. Regrettably, it was reinserted by the Rules Committee.

Title III of H.R. 3286 amends the 1978 Child Welfare Act (ICWA), which gave tribal courts jurisdiction over Indian child custody proceedings. Title III would transfer this jurisdiction to State courts.

Mr. Chairman, I represent portions of eight tribes, including the Navajo Nation, which is the largest reservation in the United States. As a result, I am mindful of our treaty obligations to sovereign Indian nations. I believe that removing adoptions from the jurisdiction of tribal courts in favor of State courts would violate these important treaty agreements.

Furthermore, proponents of title III assume that tribes act arbitrarily and not in the best interests of the children involved. The record shows otherwise. Over the last 15 years, less than one-tenth of 1 percent of adoption cases have been contested.

I urge my colleagues not to turn back progress that has been made by Indian nations to become more independent. Support the Young amendment.

Mrs. VUCANOVICH. Madam Speaker, I want to commend my colleagues for bringing to the floor a bill that would assist loving, caring Americans who are willing to open their homes and provide permanent, loving, and stable homes for adoptive children.

In an era when adoption costs can reach upward of \$20,000, we must send a message that the Government is truly proadoption. Providing a \$5,000 nonrefundable tax credit to middle- and low-income families for qualified adoption expenses, is a small step in this direction. This bill also includes another important policy that encourages and promotes adoption.

It is an unfortunate fact that African-American children wait almost twice as long and sometimes four times as long to be adopted than do white children, simply because of their skin color. This bill will prohibit any federally funded agency from delaying or denying the placement of a child into a foster home or adoptive home on the basis of the race, color or national origin of the adoptive or foster parent of the child involved.

This commonsense policy is badly needed to ensure that our Nation's future, our most vulnerable children do not remain separated from a loving adoptive family one day longer than necessary. I urge my colleagues to support this bill.

Mrs. COLLINS of Illinois. Madam Speaker, I don't think there is anyone anywhere who would not agree that we would wish for every child that they be a part of a willing, safe, secure, nurturing and loving family.

Unfortunately, that is not the reality for hundreds of thousands of children across America today. Many of those children are the victims of abuse or neglect. Many have special needs that make the parental dream of a perfect child difficult to achieve.

For instance, last year there were over 49,000 children in foster care in Illinois; 39,000

of those children were from the Chicago/Cook County area. During that same time last year in Illinois, only 1,850 were formally adopted.

It is the goal of this Adoption Promotion and Stability Act to make it possible for more children, who are not able to be reunited with their biological families for one reason or another, to be adopted by families who are willing and able to give them the love, safety and security that all children need.

H.R. 3286 contains a provision to allow a Federal tax credit up to \$5,000 for qualified adoption expenses. Testimony to the Congress has suggested that such a tax credit will allow middle-income families to adopt children for whom adoption might otherwise be prohibitive. I believe it may also allow families of not-so-middle incomes to open their homes and hearts to children who need a safe, secure and nurturing family.

Too often the high legal costs associated with an adoption make it beyond the reach of families who could otherwise open up their heart to another child. This tax credit is designed to offer valuable support to those families with so much love to give.

What we have seen by the numbers of children in the foster care system for years, denied that nurturing, loving environment of a family, is that many people still have prejudices that stand in the way of providing those children with a safe, secure and stable family.

In reality, there aren't enough families able or willing to adopt children in need of families in our country today. Well-meaning attempts to match willing families to children are keeping those children from having any family at all.

It is because of my deeply held belief that all children should be safe, secure and loved in a willing family that values children, and has a deep commitment to providing the best possible in love and stability, that I support this bill. I encourage my colleagues to vote for the children and vote for passage of this bill.

Mr. CASTLE. Madam Speaker, I rise in strong support of the Adoption and Stability Act of 1996.

Adoption, as Albert Hunt noted in the Wall Street Journal, is not a panacea for abortion or child abuse or foster care. But it certainly can help. A woman facing an unintended pregnancy may be influenced by the knowledge that her child could be expeditiously adopted. Social workers may find their task of protecting foster children somewhat easier, resulting in fewer children—1,166 in 1993—who die of child abuse at the hands of foster parents.

In a successful adoption, everyone wins—the dearly wanted child, who is brought into a loving home; the adoptive parents, who have welcomed the child into their lives; and the birth parents, who know that their child is well-cared for. Unfortunately, there are barriers which reduce the number of successful adoptions, including high adoption costs and complex, ineffective regulations.

As a result, roughly one in seven children in foster care is waiting for adoption, and will wait for between 4 to 6 years. Potential adoptive parents find they cannot pay the costs of adoption—which ranges from \$10,000 to \$15,000 for a domestic adoption—and are denied the opportunity to provide a loving and healthy home for a child. Minority children

must wait two to four times as long as white children for adoptive homes. Families which are financially able to adopt must wait for years before a child can join them.

Fortunately, Congress has recognized that promoting adoption is an important public policy goal. The Adoption and Stability Act of 1996 facilitates the adoption process, so that more children can be united with loving families.

You know the essential details of this bill, it provides families with a \$5,000 tax credit for one-time adoption expenses, and prohibits entities from delaying adoptions due to race, color, or national origin. These provisions will provide enormous assistance to would-be adoptive parents, and should help those who are presently overwhelmed by the cost to fulfill their dreams of being an adoptive parent. It will also help eliminate the appalling fact that minority children wait so much longer to be adopted as white children, even though there is no shortage of adoptive parents.

This bill will not resolve all of the problems with our Nation's adoption laws, but it is an admirable first step, and I encourage all of my colleagues to support passage of this bill.

Mr. STOKES. Mr. Speaker, I rise today in support of the Adoption Promotion and Stability Act. I commend Congresswoman MOLINARI for bringing the important issue of adoption to the floor. H.R. 3286 attempts to correct the disproportionate representation of minorities in the foster care system by preventing discrimination in the placement of children on the basis of race, color or national origin. This bill also provides adoptive parents up to \$5,000 in tax credits to assist in adoption expenses.

Mr. Speaker, the promotion of adoption is one of the most important things we can do to strengthen American families. All children, regardless of age, sex ethnicity, and physical and emotional health are entitled to a family. Adoption enables children, whose parents cannot or will not raise them, to become part of a permanent family. Furthermore, it serves as a second chance for the thousands of children who have been removed from their families because of abuse or neglect.

The high cost of adoption can be an impediment to many families wanting to adopt. With the inclusion of legal fees, court costs and charges levied by adoption agencies, the cost of an adoption can exceed \$15,000. This is a heavy burden for America's low- and middle-income families who desire to adopt. The \$5,000 adoption tax credit included in this may make the difference between a child in foster care becoming part of an adoptive family or remaining in foster care indefinitely.

Mr. Speaker, I would also like to express my concern regarding the title III provision in H.R. 3286 which would overhaul the Indian Child Welfare Act [ICWA]. I supported the Young-Miller amendment which would have eliminated title III from this bill, and am hopeful that further consideration will be given to convening hearings or meetings with the Indian community on the title III provision.

Mr. Speaker, H.R. 3286 represents a positive approach in finding homes for our Nation's needy children. Although the bill is not flawless, I support this effort to facilitate the adoption of children, and to decrease the time that many of our children languish in the foster

care system. I join with my colleagues in support of this legislation.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Alaska [Mr. YOUNG].

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

Mr. YOUNG of Alaska. Madam 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 195, nays 212, not voting 26, as follows:

[Roll No. 164]

YEAS—195

Abercrombie	Frost	Oberstar
Ackerman	Furse	Obey
Allard	Gekas	Oliver
Andrews	Gephardt	Ortiz
Baesler	Gilchrest	Orton
Baldacci	Gonzalez	Owens
Barcia	Gordon	Pallone
Barrett (NE)	Green (TX)	Parker
Barrett (WI)	Gutierrez	Pastor
Bateman	Hansen	Payne (NJ)
Becerra	Harman	Payne (VA)
Bellenson	Hastings (FL)	Pelosi
Bereuter	Hayworth	Peterson (MN)
Bishop	Hefner	Pickett
Bliley	Hilliard	Pomeroy
Blute	Hinchee	Porter
Boehlert	Houghton	Rahall
Bonior	Hoyer	Rangel
Borski	Jackson (IL)	Reed
Boucher	Jackson-Lee	Regula
Brewster	(TX)	Richardson
Browder	Johnson (SD)	Riggs
Brown (CA)	Johnson, E. B.	Rivers
Brown (FL)	Jones	Ros-Lehtinen
Brown (OH)	Kanjorski	Rose
Bryant (TX)	Kennedy (MA)	Roybal-Allard
Bunn	Kennedy (RI)	Rush
Callahan	Kennelly	Sabo
Calvert	Kildee	Salmon
Camp	Kleczka	Sanders
Chapman	Klink	Sawyer
Clayton	Kolbe	Saxton
Clyburn	LaFalce	Schiff
Coleman	Lantos	Schumer
Collins (MI)	LaTourette	Scott
Conyers	Levin	Serrano
Cooley	Lewis (CA)	Shays
Coyne	Lewis (GA)	Shuster
Cramer	LoBiondo	Skaggs
Cummings	Lofgren	Skeen
de la Garza	Lowe	Slaughter
DeFazio	Lucas	Spratt
DeLauro	Maloney	Stark
Dellums	Markey	Stokes
Deutsch	Martinez	Studds
Dingell	Martini	Stupak
Dixon	Mascara	Tauzin
Doggett	Matsui	Taylor (NC)
Dooley	McCarthy	Thomas
Engel	McDermott	Thompson
Ensign	McInnis	Thornton
Eshoo	McKinney	Thurman
Evans	Meehan	Torkildsen
Farr	Meek	Torres
Fattah	Menendez	Towns
Fazio	Millender	Velazquez
Felds (LA)	McDonald	Vento
Filner	Minge	Volkmmer
Flake	Mink	Vucanovich
Foglietta	Mollohan	Ward
Foley	Montgomery	Waters
Ford	Moran	Watt (NC)
Frank (MA)	Nadler	Watts (OK)
Frelinghuysen	Neal	

Waxman
Wise

Woolsey
Wynn

NAYS—212

Archer
Arney
Bachus
Baker (CA)
Ballenger
Barr
Bartlett
Barton
Bass
Bentsen
Bilbray
Billirakis
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunning
Burton
Buyer
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chryslers
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Condit
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
Deal
DeLay
Diaz-Balart
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)

Frisa
Funderburk
Ganske
Geren
Gibbons
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hastert
Hastings (WA)
Hefley
Heineman
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Hunter
Hutchinson
Hyde
Ingalls
Istook
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBlondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh

Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Peterson (FL)
Petri
Pombo
Poshard
Pryce
Quillen
Quinn
Radanovich
Ramstad
Roemer
Rogers
Rohrabacher
Roth
Roukema
Royce
Sanford
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Sisisky
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Taylor (MS)
Tejeda
Thornberry
Tiahrt
Torricelli
Traficant
Upton
Visclosky
Walker
Walsh
Wamp
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—26

Baker (LA)
Berman
Bevill
Clay
Collins (IL)
Dickey
Dicks
Gallegly
Gejdenson

Hayes
Herger
Holden
Jefferson
Laughlin
Lincoln
McDade
Miller (CA)
Moakley

Molinari
Paxon
Portman
Roberts
Schroeder
Tanner
Weldon (PA)
Williams

□ 1156

The Clerk announced the following pairs:

On this vote:
Mrs. Collins of Illinois for, with Mr. Herger against.
Mr. Dicks for, Mr. Paxon against.

Mr. KNOLLENBERG and Mr. ENGLISH of Pennsylvania changed their vote from "yea" to "nay."

Mr. LEVIN changed his vote from "nay" to "yea."

So the amendment was rejected. The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. MORELLA). Pursuant to House Resolution 428, the previous question is ordered on the bill, as amended.

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.

The SPEAKER pro tempore. 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.

RECORDED VOTE

Ms. PRYCE. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 393, noes 15, not voting 25, as follows:

[Roll No. 165]

AYES—393

Ackerman
Allard
Andrews
Archer
Arney
Bachus
Baker (CA)
Baldaoui
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bellenson
Bentsen
Bereuter
Bilbray
Billirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Canady
Cardin
Castle
Chabot
Chambliss

Chapman
Chenoweth
Christensen
Chryslers
Clayton
Clement
Clinger
Coble
Coburn
Coleman
Collins (GA)
Combest
Condit
Cooly
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Deutsch
Diaz-Balart
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshno
Evans
Everett
Ewing

Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Finer
Flake
Flanagan
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Ganske
Gekas
Gephardt
Geren
Gibbons
Gilchrist
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Hilleary

Hinchey
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Ingalls
Istook
Jackson (IL)
Jackson-Lee
(TX)
Jacobs
Johnson (CT)
Johnson (SD)
Johnson, E.B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Lazio
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Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Lincoln
Linder
Lipinski
Livingston
LoBlondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh

McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-
McDonald
Miller (FL)
Minge
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Oliver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton

Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vuconovich
Walker
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)
Zeliff
Zimmer

NOES—15

Abercromble
Baesler
Clyburn
Collins (MI)
Conyers

Dellums
Fattah
Furse
Hilliard
Kennedy (RI)

Meek
Mink
Thompson
Waters
Young (AK)

NOT VOTING—25

Baker (LA)
Berman
Bevill
Clay
Collins (IL)
Dickey
Dicks
Gallegly
Gejdenson

Hayes
Herger
Holden
Jefferson
Laughlin
McDade
Miller (CA)
Moakley
Molinari

Paxon
Portman
Roberts
Schroeder
Tanner
Weldon (PA)
Williams

□ 1216

The Clerk announced the following pair:

On this vote:

Mr. Herger for, with Mr. Dicks against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1972

Mr. FROST. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1972.

The SPEAKER pro tempore (Mr. BURTON of Indiana). Is there objection to the request of the gentleman from Texas?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 430 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 430

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. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and the amendments made in order by this resolution and shall not exceed two hours equally divided and controlled by the chairman and ranking minority member of the Committee on National Security. After general debate the bill shall be considered for amendment under the five-minute rule.

SEC. 2. (a) 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 National Security now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived.

(b) 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 and amendments en bloc described in section 3 of this resolution.

(c) Except as specified in section 4 of this resolution, each amendment printed in the report of the Committee on Rules shall be considered only in the order printed in the report, may be offered only by a Member des-

ignated in the report, shall be considered as read, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. Unless otherwise specified in the report of the Committee on Rules, each amendment printed in the report shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent and shall not be subject to amendment (except that the chairman or ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment).

(d) All points of order against amendments printed in the report of the Committee on Rules or amendments en bloc described in section 3 of this resolution are waived.

(e) Consideration of the first two amendments in part A of the report of the Committee on Rules shall begin with an additional period of general debate, which shall be confined to the subject of cooperative threat reduction with the states of the former Soviet Union and shall not exceed forty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on National Security.

SEC. 3. It shall be in order at any time for the chairman of the Committee on National Security or his designee to offer amendments en bloc consisting of amendments printed in part B of the report of the Committee on Rules accompanying this resolution not earlier disposed of or germane modifications of any such amendment. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on National Security or their designees, 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. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of germane perfecting amendment to the text originally proposed to the stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

SEC. 4. (a) The chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by this resolution.

(b) The chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes.

(c) The chairman of the Committee of the Whole may recognize for consideration of any amendment made in order by this resolution out of the order printed, but not sooner than one hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

SEC. 5. 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, as modified. 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. BURTON of Indiana). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], 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. SOLOMON asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. SOLOMON. Mr. Speaker, House Resolution 430 is the traditional structured rule that we grant for defense authorization bills.

The rule waives all points of order against the bill and against its consideration. It provides for 2 hours of general debate equally divided between the chairman and ranking minority member of the National Security Committee. The committee's amendment in the nature of a substitute now printed in the bill will be considered as base text for the purpose of amendment, and all points of order are waived against it.

The rule makes in order only those amendments printed in the report of the Rules Committee to accompany this resolution, and waives all points of order against those amendments.

The amendments made in order are not subject to amendment except for pro forma amendments offered by the chairman or ranking minority member of the National Security Committee.

They may also be amended if contained in part B of the report and are offered as part of en bloc amendments offered by the chairman. Such en bloc amendments are debatable for 20 minutes each equally divided between the chairman and ranking minority member. The en bloc amendments are not subject to further amendment. Any modifications in the amendments printed in the report must be reported by the reading clerk.

Mr. Speaker, of the 117 amendments submitted to the Rules Committee, 41 are made in order by this rule—21 by Republicans and 20 by Democrats. The amendments are divided into two parts in the committee report. The six part A amendments go to some major issue areas.

The first topic in part A are two amendments relating to the cooperative threat reduction with the former Soviet Union, better known as Nunn-

Lugar. Those two amendments by myself and Chairman GILMAN of the International Relations Committee will be debatable for 10 minutes each following 40 minutes of general debate on Nunn-Lugar.

The other amendments in part A include a DeLauro amendment on abortion, debatable for 40 minutes; a Torikildsen amendment on HIV in the military, debatable for 40 minutes; a Saxton amendment on the army reserve, debatable for 30 minutes; and a Shays-Frank amendment on burden sharing, debatable for 30 minutes.

Following those part A amendments, there are some 35 amendments made in order, debatable for 10 minutes each, unless of course they are included in en bloc amendments offered by Chairman SPENCE, in which case debatable for 20 minutes.

Mr. Speaker, I won't go into the details of those additional amendments. I commend to my colleagues the Rules Committee report on this rule which includes a brief summary of each amendment in addition to their complete text.

Let me simply say in concluding my remarks on this procedure that the Rules Committee, as usual, had a dif-

ficult challenge in sorting through over 100 amendments in just 1 day's time.

We appreciate the cooperation of Chairman SPENCE and his staff, Mr. DELLUMS and his staff, and of course, our own ranking minority member, Mr. MOAKLEY and his staff along with Mr. FROST who in managing the rule for the minority today. While we were obviously not able to please everyone by our final decision in making in order roughly 40 percent of the amendments submitted.

As I already indicated, even though there were more Republican amendments submitted than Democrat amendments, of the 41 amendments this rule makes in order, nearly half are by Democrats. So I think we have achieved our goal of being as fair as we could be to all concerned.

I therefore urge my colleagues on both sides of the aisle to support this rule so that we can get on with the important debate on this vital piece of national security legislation.

On the bill itself, Mr. Speaker, I must say that congratulations are in order to Chairman SPENCE, his staff and the rest of the National Security Committee for having the foresight and the courage to report out this excellent bill.

For the fourth year in a row, the Clinton administration has sent to Congress a defense budget request that is simply inadequate to this country's needs.

Particularly insulting was this year's weapon's procurement request of only \$39 billion, which is \$21 billion short of where the Joint Chiefs of Staff tell us that we need to be in just a few years.

I commend the committee for adding \$7.5 billion to this account, which has suffered a 70-percent real decline since 1985, leading to today's severe modernization problems.

This increase, along with a quadrupling of the President's ammunition request, will help fulfill one of the most sacred obligations the U.S. Government has:

Ensuring that American soldiers and sailors have a plentiful supply of the best weapons and equipment available so that they can adequately defend themselves in battle.

Anything less than that is unforgivable.

Our military personnel are also well taken care of in this bill by a 3-percent pay increase and a 4.6-percent increase in the basic housing allowance.

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,¹ 103D CONGRESS V. 104TH CONGRESS

[As of May 9, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-open ²	46	44	68	60
Modified Closed ³	49	47	28	25
Closed ⁴	9	9	17	15
Total	104	100	113	100

¹ This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

² An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

³ A modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

⁴ A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of May 9, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350-71 (1/19/95)
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255-172 (1/25/95)
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95)
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95)
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95)
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95)
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95)
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95)
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95)
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95)
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95)
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229-100; A: 227-127 (2/15/95)
H. Res. 88 (2/15/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230-191; A: 229-188 (2/21/95)
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95)
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282-144 (2/22/95)
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252-175 (2/23/95)
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253-165 (2/27/95)
H. Res. 106 (2/27/95)	O	H.R. 925	Regulatory Reform and Relief Act	A: voice vote (2/28/95)
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271-151 (3/2/95)
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95)
H. Res. 105 (3/6/95)	MO			A: 257-155 (3/7/95)
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95)
H. Res. 109 (3/8/95)	MC			PQ: 234-191 A: 247-181 (3/9/95)
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Appropr	A: 242-190 (3/15/95)
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95)
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95)
H. Res. 119 (3/21/95)	MC			A: 217-211 (3/22/95)
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423-1 (4/4/95)
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95)
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228-204 (4/5/95)
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253-172 (4/6/95)
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95)
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95)

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of May 9, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414-4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252-170 A: 255-168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233-176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225-191 A: 233-183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223-180 A: 245-155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232-196 A: 236-191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221-178 A: 217-175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/1/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258-170 A: 271-152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps.	PQ: 236-194 A: 234-192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235-193 D: 192-238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230-194 A: 229-195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242-185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232-192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	O	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217-202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230-189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409-1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255-156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323-104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414-0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388-2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241-173 A: 375-39-1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304-118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344-66-1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth.	A: voice vote (10/1/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231-194 A: 227-192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps.	PQ: 235-184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228-191 A: 235-185 (10/26/95).
H. Res. 251 (10/31/95)	C	H.R. 2491	Seven-Year Balanced Budget	A: 237-190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 1833	Partial Birth Abortion Ban	A: 241-181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.R. 2546	D.C. Approps.	A: 216-210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.J. Res. 115	Cont. Res. FY 1996	A: 220-200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2586	Debt Limit	A: voice vote (11/14/95).
H. Res. 261 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: 223-182 (11/10/95).
H. Res. 262 (11/9/95)	C	H.J. Res. 115	Cont. Resolution	A: 220-185 (11/10/95).
H. Res. 265 (11/15/95)	O	H.R. 2586	Increase Debt Limit	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.R. 2564	Lobbying Reform	A: 229-176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.J. Res. 122	Further Cont. Resolution	A: 239-181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 2606	Prohibition on Funds for Bosnia	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1788	Amtrak Reform	A: 239-181 (11/17/95).
H. Res. 293 (12/7/95)	C	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 303 (12/13/95)	O	H.R. 2621	Protect Federal Trust Funds	PQ: 223-183 A: 228-184 (12/14/95).
H. Res. 309 (12/18/95)	C	H.R. 1745	Utah Public Lands	PQ: 230-188 A: 229-189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.Con. Res. 122	Budget Res. W/President	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 558	Texas Low-Level Radioactive	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2677	Natl. Parks & Wildlife Refuge	PQ: 228-182 A: 244-168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 2854	Farm Bill	A: voice vote (3/7/96).
H. Res. 371 (3/6/96)	C	H.R. 994	Small Business Growth	PQ: voice vote A: 235-175 (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3021	Debt Limit Increase	A: 251-157 (3/13/96).
H. Res. 380 (3/12/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: 233-152 A: voice vote (3/21/96).
H. Res. 384 (3/14/96)	MC	H.R. 2703	Effective Death Penalty	PQ: 234-187 A: 237-183 (3/21/96).
H. Res. 386 (3/20/96)	C	H.R. 2202	Immigration	A: 244-166 (3/22/96).
H. Res. 388 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps.	PQ: 232-180 A: 232-177 (3/28/96).
H. Res. 391 (3/27/96)	C	H.R. 125	Gun Crime Enforcement	PQ: 229-186 A: Voice Vote (3/29/96).
H. Res. 392 (3/27/96)	MC	H.R. 3136	Contract w/America Advancement	PQ: 232-168 A: 234-162 (4/15/96).
H. Res. 395 (3/29/96)	C	H.R. 3103	Health Coverage Affordability	A: voice vote (4/17/96).
H. Res. 396 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	A: voice vote (4/24/96).
H. Res. 409 (4/23/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 419 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219-203 A: voice vote (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422-0 (5/1/96).
H. Res. 422 (5/2/96)	O	H.R. 2974	Crimcs Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 427 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1995	PQ: 218-208 A: voice vote (5/8/96).
H. Res. 428 (5/7/96)	MC	H.R. 3222	Omnibus Civilian Science Auth.	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
		H.R. 3230	DoD Auth. FY 1997	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; C-closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

Mr. SOLOMON. That is so important, Mr. Speaker, if we are going to continue to depend on an all-voluntary military that will attract good qualified young men and women from all across America, from all walks of life.

This bill makes positive strides in other categories as well. The Committee on National Security added \$1.5 billion to the President's request for research and development, including \$860 million for missile defense.

Mr. Speaker, it is time for this President to commit himself to defending the American people against ballistic missiles. That is so important. The time for talk is over. There are no more excuses for not protecting ourselves. We know that there are literally dozens of terrorist state governments out there, not to mention countries like Iran and Iraq and Libya and North Korea and a number of others who at any given time, because of the

advances that they have made in their military preparedness, could launch missiles right off the coast from submarines.

This additional funding, Mr. Speaker, along with the Defend America Act that we will consider next week, will help make missile defense a reality in this country.

□ 1230

Mr. Speaker, the long slide in defense spending must come to an end. The end

of the cold war did not mean that America no longer has any interest in defending itself around the world. A robust military posture is critical to safeguarding those interests.

Mr. Speaker, nor did the end of the cold war mean that the American forces do not need the best equipment and weaponry that they can possibly get. They do. And the end of the cold war certainly did not mean that America is less vulnerable to missile attack, as I have just alluded to. It is, and even more so than during the cold war.

Once again, the gentleman from South Carolina, Chairman SPENCE, and the Committee on National Security deserves high praise for their work, and I would urge support for this rule. Then when we take up the bill on Tuesday and Wednesday, I would urge strong support for maintaining the provisions that are in that bill. It is a good bill. I commend the committee for bringing it to this floor.

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

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume. I thank the gentleman from New York for yielding the customary 30 minutes of debate time to me.

I personally support House Resolution 430, the rule to H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997. However, there is opposition to the rule because it does not allow for any amendments that would provide for a reduction in defense spending.

Specifically, the Foley-Shays amendment would reduce the overall authorization level of the bill to \$264.7 billion, which is the same level for fiscal year 1996 and a decrease of \$2.3 billion from this year's authorized level. Congresswoman SCHROEDER also offered an amendment that would cut the overall level of defense spending by \$13 billion. Both amendments were not made in order by the Committee on Rules.

Mr. Speaker, H.R. 3230 reflects the country's continued effort to revitalize America's defenses in order to meet the security requirements of the post-cold-war world. The world has undergone tremendous changes over the last few years. The Soviet Union is no longer the dominant military threat it once was. However, we are still seeing other trouble spots breaking out throughout the world. It is therefore critical that we maintain a strong defense.

I commend the committee's fine job in bringing this bill to the floor and its commitment to maintain the technological advantage enjoyed today by U.S. military forces and to ensure that edge in the future. Mr. Speaker, I believe this bill does just that.

The bill authorizes a total of \$267 billion for DOD programs for fiscal year 1997—\$13 billion above the President's request. And \$7.5 billion of this increase is slated for weapons procurement.

In particular, this bill authorizes funding for 10 C-17's for fiscal year 1997, an airplane that is critical to our Nation's future airlift capabilities. The bill also increases the administration's request and authorizes \$732 million for procurement of six V-22 Osprey—the tiltrotor aircraft that will provide medium lift capabilities for our forces. In addition, the bill authorizes funding for six F-16 aircraft in fiscal year 1997 and \$2 billion on continued development of the F-22 stealth fighter. I also commend the committee for recommending an increase of \$290 million to the administration's request of \$528 million, to accelerate the conventional conversion of the B-2.

Other programs which strengthen our national defense and ensure our ability and readiness to respond forcefully to threats to our security are also authorized in this bill.

Mr. Speaker, 109 amendments were filed on this bill. Forty-one were made in order. While we would have wanted more to be made in order, this is a good rule, Mr. Speaker, and I urge its adoption.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Sanibel, FL, Mr. PORTER GOSS, one of the most valuable Members of this body, who serves on the Committee on Rules with me and is a member of the Permanent Select Committee on Intelligence and probably has more understanding of this issue than most Members I know.

Mr. GOSS. Mr. Speaker, I thank my friend from Glens Falls, NY, the distinguished chairman of the Rules Committee, for yielding me this time. Mr. Speaker, providing for the national defense is one of the few Federal duties outlined by our Constitution—it is our fundamental responsibility to make sure that the Armed Forces have the resources and training to protect this country from every military threat. And despite the end of the cold war, we all understand there are still many threats out there. It is a dangerous world. Just now the spreading influence of Iran—an avowed enemy of the United States—in Europe and other parts of the world is ringing alarm bells. Other obvious dangers include: nuclear proliferation, heightened regional tensions and uncertainty about the direction of powers like Russia and China. Mr. Speaker, I share the concerns of many Americans about our President's on again-off again commitment to key national security issues. President Clinton seems content to lend his tacit approval to Iran's expansion into Europe, while at the same time recommending drastic reductions in defense resources. Even the liberal media is commenting on this state of affairs. While I note that in some ways this bill might be too comprehensive—in terms of the social issues that would, I think, be better debated else-

where—I commend the National Security Committee for bringing forward a responsible bill in a bipartisan manner. During the Rules Committee hearing on this legislation, the spirit of cooperation and consensus that went into crafting this bill was very evident.

Mr. Speaker, I think that we have worked in the same spirit to put together the rule before us. After sifting through well over 100 amendments, we have a fair rule that makes in order a total of 42 Republican, Democrat, and bipartisan amendments on a wide range of issues. And once again we have done so in a single rule, where past Congresses have required multiple rules for this bill. I would urge strong support for this rule.

Mr. FROST. Mr. Speaker, I yield 7 minutes to the gentleman from California [Mr. DELLUMS], the ranking member of the committee.

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

Mr. Speaker, while oftentimes many of us take the well to discuss the substantive nature of the bill before us in the context of the debate on the rule, this is the rule. And for people who do not understand, the rule is the process by which we determine how we deliberate, discuss, and debate a significant piece of legislation.

Make no mistake about it, this is indeed a significant piece of legislation. It is the next fiscal year's defense authorization bill to the tune of \$267 billion, not million, billion. That is an extraordinary amount of money, Mr. Speaker, \$267 billion.

This rule determines how we shall debate, what we shall debate. It establishes the framework for the deliberation on this floor. And I am constrained to challenge the process for the following reason: The gentleman is correct, there are 6 quasi-substantive amendments, 35 remaining amendments, and I would like to say to my colleague had over 90 percent of these 35 amendments been introduced in committee, we would have accepted them. They are not very substantive. They are noncontroversial. For the most part they seek reports. They are language amendments. They do very little. They do not really go to the question of policy. Nor do they, Mr. Speaker, go to the issue of dollars.

At a time when my colleagues on the other side of the aisle have been paralyzed the Government of the United States in order to put forward the notion of a balanced budget, in the context of a post-cold-war environment, this budget seeks to increase the President's military request by \$13 billion.

Now, I am a mature guy. I have walked up and down this Hill now for almost 26 years, and I respect political difference. I understand partisanship. I understand ideological differences. I understand policy differences. I even understand fiscal differences. That is

no problem. That is why the American people elect Democrats and Republicans, liberals, conservatives, and moderates.

But what I have great difficulty understanding and accepting is a process that renders us impotent, and I underscore "impotent," Mr. Speaker, for the purposes of emphasis, in getting at the top line of \$267 billion.

I respect the fact there are Members in this body who seriously believe we ought to spend \$267 billion. No problem. Let us have debate. But there are those of us who do not believe in the context of a post-cold-war environment, in the framework of a balanced budget, limited dollar environment, when we are punishing poor people, creating significant problems as we reduce expenditures across the line, \$13 additional billion in the military budget, when there is no longer a Soviet Union, when there is no longer a Warsaw Pact, it seems to me is right for us to debate. We ought to be able to accept each other's differences and let the body decide.

For the rule precludes that, and there is something wrong. As I looked at the proposed amendment, there was even a Republican amendment that would have reduced this military budget to last year's level. That would have been, Mr. Speaker, a \$3 billion cut. If there were those that wanted to reduce it, whack to the President's request, it would have been roughly a \$13 billion cut. So we should have had the opportunity, somewhere between \$3 billion and \$13 billion, to have a significant debate about whether or not we ought to spend this kind of money in this atmosphere.

I would have to live with the results of that debate and how my colleagues would decide to approach the issue. But to have no opportunity, Mr. Speaker, to do so flies in the face of what we ought to be about. It is, as I said before the Committee on Rules, our *raison d'être*. It is our responsibility, it is our reason for being, to debate these issues.

We have been for the last nearly year and a half talking about balanced budgets until we know each other's speeches by heart, but we ought to have the opportunity.

Now, granted that we have equally divided the amendments between Democrats and Republicans. I have no problem with that. The fact that we have got 6 major amendments and 35 fairly noncontroversial amendments, some problem. But I will even put that aside. But to have no amendments on the top line, what it says, Mr. Speaker, is that Members of Congress will have no opportunity to challenge the top line, no other priorities. We in this rule will defend this turf. You have disenfranchised 435 Members of Congress, who should have the opportunity on any issue, to debate the substantive matters.

Now, Mr. Speaker, your response might be, well, maybe you ought to debate the military budget top line in the context of the total budget. But each Member of Congress was cautioned that when we debate later this week the budget, if you wanted to submit a proposal, it had to be in the nature of a substitute. Mr. Speaker, you understand what that means. That means each Member has to file a total budget, not just their concerns about a particular budget.

What I am suggesting to you is not one single Member of Congress will have the opportunity to get at the top line of \$267 billion, whether they are Republican or Democrat, and there is something wrong about that.

I do not mind staying here all night to debate. We have stayed here all night to debate some matters that could have been debated in 1 hour, but we stayed, we drank coffee and we stayed all night. But when we come to \$267 billion, we want to drive this train at 100 miles an hour.

That is why we are being paid, to discuss and debate. I think I have demonstrated, Mr. Speaker, over the years I am willing to live with the result, but give us our chance. There has not been a chance to do that. For those reasons, I am constrained to oppose this rule, and I ask my colleagues to aggressively oppose this rule. It flies in the face of decency, democratic principles, and does not allow us to carry out our fiduciary responsibilities to the American voter and the taxpayer.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume just to respond briefly.

Mr. Speaker, I say to my very good friend, and I have such great respect for him, I commended him the other day when he was chairman of the committee, we all really looked up to him with great respect, because he handled himself so well in the committee. But let me just say in this rule, we have made in order all of the important issues that were out there. Many were missing from years past. They were not offered by the Democrats or Republicans. We are dealing with Nunn-Lugar, which is in my opinion a very, very bad program, where we have given the Russian Government money to dismantle some of their missiles and they have diverted it to God knows where. We need to get to the bottom of that. We make those amendments in order.

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

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

Mr. DELLUMS. Mr. Speaker, if the gentleman will yield for one brief question, I will not quarrel with that. I am simply saying the top line. There were several amendments, Republican and Democrat. Can you explain why we do not have the opportunity? How that could happen?

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I am about to do that. I appreciate the gentleman's concern. We also deal with the very controversial issue of abortion. We deal with the HIV issue. These are all major issues where we are giving major portions of the time for debate.

□ 1245

We get involved with the Army reserve, with the gentleman from New Jersey [Mr. SAXTON] sitting here. That is a very controversial issue. We get involved with burden sharing. That is a very controversial issue that I have worked with the gentleman from California [Mr. DELLUMS] and the gentleman from Colorado [Mrs. SCHROEDER] on for years.

But getting back to the top line figure itself, there is nothing worse than the way we have handled this in the past where Members are allowed to stand up here and offer an amendment to freeze defense spending. What does that mean? Where are we then going to prioritize? Or we are going to cut defense spending by 10 percent across the board? What does that do to the priorities? Cut it by 5 percent, 2 percent. We have had Members that want to offer amendments to cut it by 1 percent. That is not the way to go about it.

There is something strange here because in years past, as the gentleman knows, we have had numerous amendments to come in and cut particular weapons programs. The gentleman has always offered amendments to cut the B-2 program. Those amendments are nonexistent of the 117 that were presented to us.

Now, what I am saying is that we have a budget resolution coming up in which the Committee on the Budget has agreed to a figure of \$267.3 billion. The budget that is here now recalls for \$600 million less than that.

In addition, the area to fight, where we are going to have the top line, is either in the budget resolutions that are going to come before this House the day after this bill is completed, or in the defense appropriation bill, where we actually appropriate the money for all of these programs. That is why we do not see amendments being allowed today to cut across the board or to freeze defense spending.

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

Mr. SOLOMON. I yield to the gentleman from California briefly because I am using up all our time.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman. Quickly, if I hear the gentleman correctly, then, he is suggesting that no amendments in perpetuity will be allowed to cut any other budget other than the military budget; housing, welfare, education, all these other programs. We will not allow amendments to reduce those budgets either? Because if that is the

case, I can show the gentleman chapter and verse where those kinds of amendments were allowed.

This is big money, 267. So are we setting a new precedent or establishing a new policy? Because if we are, this is a major point of departure.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, I would say to the gentleman that, no; we are setting no precedent. The gentleman knows that we have this bill on the floor next week. We have a missile defense system bill on the floor, and then we have the budget bill followed shortly by the appropriation bills.

We want to be able to deal with this all in that broad concept in order to be able to maintain a decent military for the future of our country.

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

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Speaker, if I heard my distinguished colleague correctly, I would make two observations. First, this is a precedent being set on the military budget that has not been set on any other budget, and that is that we cannot make cuts; that we cannot offer amendments to make cuts, and the rules will not do it. We know that is not the case. We have made cuts in other programs. I will just let that sit there for whatever that is worth.

The second point that I would make is that, if the issue is get this bill up on Tuesday and get it out by Wednesday night, this is a triumph of process over substance, and we ought to be about substance. We have time to deliberate here, and I am not trying to demagog the issue. I am willing to stay here all night like anyone else; but, when we are talking about \$267 billion, slow the train down and let us have a deliberative and substantive discussion. Do not let process triumph over substance.

If we are going to establish this precedent on the military budget, then establish this precedent on programs that deal with our youth, with our poor, with our aged, with our unemployed and other programs.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HUNTER], a member of the committee.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to respond just briefly to my friend from California. I believe in having substantive debates, and we have had a ton of substantive debates over the last many years. One thing that I have noticed is generally not substantive, is when somebody comes to the floor not with a programmatic cut, not saying the missile defense is wrong or I want to cut the tank program or the helicopter program, but just saying

I think we can take \$3 billion out of the defense budget because it looks right and it feels good. And we end up with Members rushing to the floor saying is this a good one? And we have literally thousands of programs, and we have a \$3 or \$4 billion cut across the board.

I agree with the gentleman that the Members should be allowed to answer the tough questions. But I would say that generally the across-the-board cuts are the least substantive debates that we have in this House when they are not specific programs that those cuts are offered in the context of.

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

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

Mr. DELLUMS. Mr. Speaker, I would respond to my colleague by saying any committee could make that argument when they came to the floor. Look, our product is a wonderful product. Do not make cuts in the program. Why should we be protected like any other committee? Two sixty-seven is a lot of money.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman for the time. The debate thus far has been interesting.

I would just like to reflect on what the House has been doing the last couple of days. We considered legislation regarding housing for tens of millions of Americans across the country and the assistance they might receive from the Federal Government. We spent over an hour and a half debating the issue of pets. Pets in public housing. But during the consideration of this bill there will not be 1 minute, there will not be 1 second spent on the issue of whether or not the United States of America should continue to acquire B-2 bombers, a weapon that is worth more than its weight in gold. Every single ounce of that plane is worth more than an ounce of gold.

Not 1 minute will be spent on whether or not we should acquire additional B-2 bombers, a weapon system that even the Pentagon does not want. But that could not happen here on the floor.

Now, the chairman will say, well, no one wanted to offer it. It was not offered because we all knew it was a done deal. The books were cooked and these kind of amendments were not going to be allowed. Why not have an open rule? The famous open rule, where we would consider any and all amendments offered by people legitimately elected.

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

Mr. DEFAZIO. I do not have time to yield to the gentleman.

Mr. SOLOMON. I will give the gentleman a minute if he will yield.

Mr. DEFAZIO. All right, Mr. Speaker, I will yield if the gentleman does not use more than a minute.

Mr. SOLOMON. I thank the gentleman.

Under 40 years of Democrat rule there was never one open rule in the defense bill and the gentleman knows that. But more than that, if the gentleman himself or Mr. DELLUMS had filed a B-2 amendment, I would have made it in order. Guaranteed. No amendment is there.

Mr. DEFAZIO. Mr. Speaker, if the gentleman will open up the rule again, I will bring one by.

Mr. SOLOMON. Mr. Speaker, the gentleman is welcome to use the rest of my time.

Mr. DEFAZIO. Mr. Speaker, I thank the gentleman and I appreciate that there will not be an amendment on star wars. Here is a fantasy program created by Ronald Reagan that has spent over \$40 billion. The total results are one phoned-up test over the Pacific Ocean, which the Pentagon admits it phoned up. It did not actually work. They blew it up with a detonator. And now we are going to go ahead with billions of dollars more.

In fact, we are going to mandate deployment on an antimissile system. Which one? None of them work. Well, we do not know, but within 7 years we will deploy one for up to \$40 billion or \$50 billion. Probably it will not work and it is not needed.

We have missile defense in this country. It worked against the greatest threat to this country's freedom and security, the Soviet Union, for 50 years. Mutually assured destruction. No Podunk third World terrorist nation is going to launch a missile at the United States of America that is identifiable because they know they would no longer exist.

We do not need that kind of missile defense. We need defense against terrorist weapons. But we will not have the discussion about star wars here on the floor. That amendment will not be allowed.

We are not going to have a discussion about the fact that the Department of Defense cannot account for \$15 billion over the last 10 years. Now, if any other agency of government were missing \$500,000, we would have special committees and investigations.

Mr. Speaker, members should vote "no" on the rule.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SAXTON], a very valuable member of the Armed Services Committee, renamed the Committee on National Security.

Mr. SAXTON. Mr. Speaker, let me commend the chairman for reporting what I think is a very fair rule. I cannot remember, Mr. Chairman, when there were 41 amendments made in order, almost half of which were of the minority party. I think that is quite commendable and I think it is quite fair, maybe more fair than the gentleman should have been.

I would also like to remind the Members that have previously spoken from the other side that it was just 25 years ago when our defense budget amounted to about 33 or 34 percent of everything we spent through the Federal Government. Then back in the middle 1980's we got to around 30 percent, after having dipped down quite low. And today we are spending about half as much in terms of the percentage of our total expenditure on defense as we were even in 1986.

So this is not a robust spending bill. This is a very lean spending bill. And I might say that some Members of the opposition party, particularly the leadership of the opposition party down at the White House, need to get realistic about where we are going with our defense policy and try to match our defense spending with that policy.

We have been everywhere from Somalia and Haiti and Bosnia and the straits of Taiwan, and we are worried about Korea. We have been to the Middle East. And all of these on military excursions of one kind or another all cost money, and moneys which are intended to keep our servicemen and women in a safe condition. That is essentially what we are looking to do with this rule, followed by the bill.

Early on our leadership said they would bring this bill to the House in a timely fashion, and the gentleman from New York has helped certainly to do that, and I commend him for it. We on the Armed Services Committee looked at this bill and we decided that there were some deficiencies because of the administration policy of using our defense forces in a robust way in many parts of the world, and so we added back some money that the President did not request.

For example, the Service Secretaries testified that they needed more money for weapons modernization. It is in this bill. And \$7.5 billion was added to end the modernization holiday which is gutting our forces and providing us with little option but to send our men and women around the world with a lack of modern weapons, which they really need.

The Secretary of Defense asked for a quality of life program, and as the chairman knows, it is in this bill: A 3-percent pay increase, a 4.6-percent hike in base allowance for quarters, and a provision to aid single service members to live off post.

Many Defense officials cited the need for more family housing, and it is in this bill. This is something that is extremely necessary for quality of life. And so we are very pleased to bring forth this rule as well as the provisions of the bill which will follow.

Once again, I commend the chairman and also thank him for making in order the amendment which we will debate for 30 minutes.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I rise to oppose the rule.

I recall when we opened this Congress the colleagues on the other side told us we were going to have open rules and free and open debate, and this is a protestation, a rule that has been mostly honored in the breach, and this rule is a classic example of it.

This bill adds \$12.9 billion to the President's request, the Pentagon's request for national defense. There was an amendment filed that would strike the entire \$12.9 billion. In all candor, I probably would not have voted for it, but that is the overarching issue here.

At the very least we should open the debate with how much money we are going to spend on national defense. If we do not want to debate \$12.9 billion, a huge add-on, at least we could have taken up the Foley amendment offered by a gentleman from the other side of the aisle to strike \$2.6 billion and keep defense spending flat next year with the level of spending this year. But that amendment, too was precluded by this particular rule.

These two amendments, as I said, are the overarching issues. They address what we are going to spend and what we are going to allocate to defense. Deep within the interstices of this rule there are other things that are precluded that I think are good government amendments. I offered one. A simple amendment to strike \$25 million in funding that was added to the budget to accelerate the production of plutonium pits that go into nuclear weapons.

□ 1300

We have more plutonium pits than we can say grace over. If you want to restart production, \$25 million is a spit in the bucket compared to what it is going to cost.

My amendment to knock out this entirely unnecessary \$25 million was not made in order. I am the ranking member of the R&D subcommittee on our committee. There is a provision here that precludes the use of this money for developing short takeoff and landing capabilities for the Joint Strike Fighter, which means it precludes its use for the Marine Corps. I know there has been some sort of compromise struck. Let us do it on the floor, do it in the well, put it behind us, and let us have that debate here and now.

What are we going to debate then? We are going to debate social issue, totally peripheral to this bill, important maybe, but not as important as how much we spend on national defense. We are reopening gays in the military and HIV-positive serving, that is what this debate will be focused upon, not the key issues of how best to defend this country and how much to spend. That

is why we should all oppose this rule and start over again.

Mr. SOLOMON. Mr. Speaker, I am a little surprised at the attitude of the gentlemen from South Carolina [Mr. SPRATT].

The gentleman from South Carolina, [Mr. SPRATT] was a member of the majority for many years here and never once put an open rule on this defense bill on the floor. He knows that. This is more balanced, which the gentleman from California [Mr. DELLUMS] will agree, as far as the distribution of amendments. Not only have we been fair, but to this gentleman, Mr. SPRATT, we have made two amendments that were very critical to him in order. There were many Republicans that were turned down; many Democrats that were turned down.

I think the gentleman should be a little more grateful for what we did for him instead of standing up here and knocking a rule that makes it that much more difficult for me to give him amendments in the future that he asks for.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HOKE], perhaps another disgruntled Member who did not get his amendment made in order, because we made 2 Spratt amendments in order and there was not room for it, but nevertheless he is a very valuable Member of this body. He has a good point to make here. I yield 3 minutes to gentleman from Ohio [Mr. HOKE].

Mr. HOKE. Mr. Speaker, I rise with some regret because the time has been given to me so graciously by the gentleman from New York, who is not only a great chairman but he is a great marine. But I still nonetheless rise with no less resolve in opposition to this blatantly unfair rule.

It is unfair because it does not permit the people's representatives to hear a tragic and disturbing story that they deserve to hear. It is the story of how defense contracts for military landing gear are being sent abroad; how American working men and women are sweating blood to send tax dollars to Washington so that we can send their jobs overseas; how the percentage of foreign landing gear contracts has increased from 15 percent in 1992 to 76 percent in 1996. These are the U.S. contracts for our landing gear. They have gone from 85 percent in 1992 down to 24 percent in 1996.

How the American landing gear industrial base has been decimated as a result of that; how 77 United States cities had businesses with landing gear defense contracts in 1992 and how that has dwindled to 38 cities today, cities like Pomona, CA; Upland, CA; East Haven, CT; Sarasota and Stuart, FL; Wichita, Kalamazoo, New York City, Cincinnati, Dallas, Salt Lake City, Seattle, Oshkosh. How Americans actually are providing foreign aid to some

of those governments so that not only can their citizens subsidize the stealing of American jobs but American citizens can subsidize that, too.

Out of the \$200 million that we spent just on Air Force landing gear, not Army or Navy, in the past 7 years, nearly half has gone abroad.

Well, maybe now they have heard the story, but if we do not defeat this terrible rule, the people's representatives will not have the opportunity to stop this outrageous abuse of American tax money and have the trust that they place in us. I do not care if you are a fair trader or a free trader or something in between, but when we use American workers; taxes to send jobs building our own military aircraft overseas to be built by foreign governments, subsidized by their own taxpayer dollars there, everyone knows that is wrong. We should not do it. We should be voting on this amendment. Defeat this rule.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, I rise to state my opposition to this rule. This is supposedly an opportunity for a candid debate on the merits of the 1997 Department of Defense authorization bill. The Committee on Rules is supposed to enable this debate.

My colleagues submitted 117 amendments to this bill. Although this is a high number, it is actually lower than in previous years. Why? Because it is difficult to draft amendments to a bill you have not seen. And this bill became available to Members the day after amendments were due. So by sheer will, 117 amendments were submitted. However, we are going to debate only 41 of them.

The Committee on Rules has shut down 68 percent of the amendments they received. Clearly the majority have carefully selected which amendments they want to debate candidly. So, Mr. Speaker, I want to talk about one issue that we will not be debating, because under this rule we will not be debating the majority's addition of \$12.9 billion to the President's budget request for defense. We added \$7 billion above what the Pentagon asked for last year. Now in this year of balancing the budget, we say to a government agency, the Pentagon, you did not ask for enough money. We have found \$13 billion that you should have asked for, but we are going to give it to you.

Then we are going to bring it to the House of Representatives for a debate, and there is not a Member who has an opportunity to question whether or not we should be giving that agency more than they asked for. Could you imagine any other budget that we deal with on the floor of this House that we would say to a government agency, you did not ask for enough money. We are going to give you more than we are not going to debate it.

That is exactly what this rule does. The same people that want to balance the budget, want to take 15 percent of the budget, increase it by \$13 billion and say when we have debate on the floor of the House, we are not going to debate whether it is in the Nation's interest to have added this money to the bill, not to mention the fact that we are adding money for missile systems, and if you look at the Republican budget over 7 years that you voted for, if you look at the increases in the \$13 billion, how are we going to maintain this equipment?

If you look at the outyears of the Republican budget, it is heavy on the front end, but once you get into the sixth, seventh, eighth, later years of that budget, it goes down. We have already added \$20 billion in 2 years beyond what the Pentagon asked for. No one in America really believes that this is the way that you balance the budget. We should defeat this rule. It is unfair and it does not give the American public an opportunity to debate whether or not we ought to be giving \$13 billion more than the Pentagon asked for.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume just to respond to the former speaker.

It is too bad that the Clinton administration intimidates our Joint Chiefs of Staff. A perfect example of that was that the Clinton administration, which now is permeated with people that never served in the military, there is nothing all wrong about that, but sometimes you have a different way of thinking. I have, as a matter of fact, an amendment that will be made in order and brought up on Tuesday to investigate why we are not giving veterans priority consideration under the laws of the land in the Clinton administration, not only in the Defense Department but everywhere.

But the point is, there was a situation just recently where the Clinton administration now wants to privatize all of the military depots throughout the country. Sounded like a pretty good idea. Sounds like GERRY SOLOMON, privatize. But that would have been a disaster in case of emergencies to do that.

The Clinton administration forced the Joint Chiefs of Staff, all but one, to sign a letter saying that they believed in privatizing. That is exactly the same situation on the level of funding for the Defense Department. The previous speaker knows that. That is why we have to override the President and put in the money that we, the Congress of the United States, think is necessary.

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

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

I would only caution my friend, the chairman on the other side, about certain remarks. I would remind him that

the Speaker of the House, Mr. GINGRICH, did not serve in the military. The majority leader of the House, Mr. ARMEY, did not serve in the military. The majority whip of the House, Mr. DELAY, did not serve in the military.

I know the gentleman served in the military, as did I, but I would urge the gentleman not to make remarks about the Clinton administration and people who did not serve in the military when there are leaders on his side of aisle who also did not serve in the military.

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

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

Mr. SOLOMON. Mr. Speaker, the gentleman knows that I was not criticizing. I made it very clear that I was not. It is not a prerequisite to have served in the military, but sometimes you do think a little differently. But I have no criticism for any of those that you mentioned, including the President, in spite of the differences about how he did not serve, in my opinion. I have not criticized him in any way about that.

Mr. FROST. Including the Speaker and the majority leader and the majority whip who also did not serve.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. I thank the gentleman from Texas for yielding the time.

I want to offer an insight into this debate that hopefully will be accepted by the distinguished chairman of the Committee on Rules. The defense is everyone's business. Defense is everyone's business. It is the business of America. It is the business of this Congress. It is the business of the President of the United States.

The authorization process which we are engaged in and reviewing a rule for is a very important process. It sets the tone for the Committee on the Budget and the Committee on Appropriations. I cannot imagine why it is not appropriate for those of us who offered a simple amendment to reduce the Defense Department's budget to the extent that they wanted to have it. This budget is \$13 billion more than they requested.

I might add, having come from a family of those who have served in the military, I do not find them intimidating easily. I might not imagine that the Joint Chiefs would be intimidated by the fact that someone elsewhere is pressuring them to do something. I offered a simple amendment to reduce the defense budget by \$6 billion. Fairly that leaves \$7 billion remaining in that budget over the amount requested by the Defense Department.

I do not even dictate to the Defense Department how they should do the reductions. I believe in readiness. I believe in military personnel. I have been to Bosnia and Croatia and the former

Yugoslavia, Italy and Germany to look at our troops, others have been elsewhere.

I know the value of making sure that our military personnel are ready and well and kept. I am glad that the chairman of the Committee on Veterans' Affairs believes in, the Committee on Rules believes in veterans preferences. I can assume that he believes in affirmative action as well. None of that will be damaged, if you will, by a simple opportunity to discuss a reduction in the defense budget. We, Mr. Speaker, must do so.

I do agree, however, with the Harman amendment which respects the men and women in the military that are HIV positive, respecting their heroism, respecting their leadership and not denying them the opportunity of being in the U.S. military.

Let us open the rule and allow debate on reducing this budget. I think the Defense Department will be happy. The men and women in the military will be happy, and we will do what is right for America.

Mr. Speaker, I rise to oppose the rule on H.R. 3230, the Defense authorization bill. The amount of the authorized appropriations in the bill exceed the amount requested by the Department of Defense by \$13 billion. I offered an amendment in the Rules Committee that would have reduced the total appropriations for the Department by \$6 billion. However, the Rules Committee did not accept my amendment.

I believe that the entire House of Representatives should have the opportunity to determine whether this \$13 billion increase over the Defense Department's recommendation is prudent. Most Members have not had the opportunity to review this bill in any depth. I am surprised that many Members of this body who speak strongly in favor of a balanced budget would not take the opportunity to allow a vote on an amendment that would help us to reach the goal of deficit reduction. Even if some Members believe that the Defense Department needs significant increases in funding, my amendment would have still allowed the Department to operate on \$7 billion above the President's request.

The Department of Defense must contribute its fair share of the sacrifice in achieving fiscal responsibility for our Government. Programs such as Medicaid, Medicare, education, housing, and environmental protection must not endure a disproportionate share of the burden in balancing the budget.

I am sure that Members of Congress and the Department of Defense can work cooperatively to find some reductions in the Department's budget. For example, in the procurement area, you could carefully review the number of C-17 planes, the number of DDG-51 destroyers, and the number of strategic missiles. Additionally, in other areas, you could examine whether some airborne missions or reserve divisions need to be merged to save money. We need to have a real debate on these important issues of the Department's priorities. The proposed rule for this bill does not allow us to have this important dis-

ussion. I believe, however, in any Defense reduction the Defense Department would make the correct decisions.

There are a few positive amendments that were allowed by the Rules Committee such as an amendment striking the provision stating that military personnel who are HIV-positive would have to separate themselves from active service. But such positive amendments don't negate the need to discuss reductions to the Defense Department authorization.

The rule for this bill is still too restrictive and I urge my colleagues to reject this rule and allow amendments that would reduce the overall level of authorized appropriations for the Department of Defense.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, this is really an incredible rule. What we have been hearing for the last year and what we will be hearing shortly is that the leadership here in the Congress thinks that we should make savage cuts in Medicare, force elderly people who do not have the money to pay more for premiums. Meanwhile, they are suggesting that we spend \$13 billion more for the military than the President wants. Do not you think the American people are entitled to that debate on priorities? The Republican majority wants to savage Medicaid; 88 million people will no longer have health insurance. Children will be without health insurance. Elderly people will be unable to pay for their prescription drugs.

□ 1315

Mr. Speaker, I ask, "Don't you think we should have a debate as to whether or not we cut military spending, or we salvage Medicaid?"

I think the American people want that debate.

Maybe they will agree with our colleagues. Maybe they think we should spend more money on star wars and B-2 bombers and less money on health care; maybe our colleagues are right. I do not think they are. But I think that is a debate that we should have.

Mr. Speaker, all over America, middle-class families are desperate. In Vermont they are knocking their brains out trying to figure out how they can afford to send their kids to college. Meanwhile the Republican leadership is cutting back on loans and grants.

I think the American people, the middle class of this country, has a right to decide whether we put more money into education or whether we continue to spend a hundred billion dollars a year defending Europe and Asia against a nonexistent enemy.

Mr. Speaker, some of the cuts that have been advocated here by the Republican leadership are cruel, they are unnecessary. It seems to me that before we go after nutrition programs for children, we take a hard look at the military budget. We have a right to have that debate.

Defeat this rule.

Mr. FROST. Mr. Speaker, I would advise the gentleman from New York [Mr. SOLOMON] we only have one speaker remaining on our side who will close for us. I do not know if the gentleman has any other speakers.

Mr. SOLOMON. I ask the gentleman, who is that speaker, sir?

Mr. FROST. The gentleman from California [Mr. DELLUMS].

Mr. SOLOMON. In that case, Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HUNTER]. I can think of no one better to speak on behalf of this bill than this gentleman who is a very good friend of the gentleman from California [Mr. DELLUMS]. He is a member of the committee, been there a long time and has so much experience in this field.

Mr. HUNTER. Mr. Speaker, first let me thank the gentleman from New York [Mr. SOLOMON] for the great job that he has done as chairman of the Committee on Rules because he puts together this rule not only with an understanding of the parliamentary mechanics that go with that job, but also as somebody who really understands national security, and I want to thank him for that job and thank our full committee chairman, the gentleman from South Carolina [Mr. SPENCE] for the input that he has.

Mr. Speaker, for my colleagues who maybe did not get an amendment made in order, I did not get one of my amendments made in order, and I offered a couple of them, and yet I support this rule, and let me tell my colleagues why I do.

First, we did add to this year's defense request, but it was done because the military wanted that additional money. In fact, we asked the service Chiefs this year, and the genius of the gentleman from South Carolina [Mr. SPENCE] this year was to bring in the service Chiefs and ask them to tell us what they really wanted beyond President Clinton's defense budget. They asked for \$15 billion in added modernization and equipment. They asked for \$15 billion more. We gave them about \$7 billion more.

If we look at President Clinton's defense budget, his 5-year defense plan in 1995, do my colleagues know what he asked for modernization this year? Almost \$50 billion. do my colleagues know what he asked for when he actually got to the year-end question this year? Went down to \$38.9 billion, and after his own chiefs came in and said we need this, then we acted and we gave them about half of what they requested, of the additional add-on they requested, and the total bill, when we put it together, was still about \$4 billion less than President Clinton said in 1995 we would need for this year.

So the first question is, Did the military want this? And the answer is, "Absolutely, yes."

Second, do they need it? I think the best symbol of whether or not they need it is a meeting that the gentleman from Missouri [Mr. SKELTON], the ranking member, and I had with the U.S. Marine Corps and other service groups, specifically the ammunition experts when we asked them, "Can you fight two wars? If your infantry men have to fight the 2 MRC scenario, will they have enough bullets in their ammo pouches to fight two wars?"

They said "no." Marines are always candid. The marines said they do not have enough ammo to fight two wars; they are 96 million M-16 bullets short. These ammo pouches, like the one I am holding here, will be empty if our marines are caught up in that two-war scenario.

So, yes, we added ammunition for the marines, and they added a lot of other ammunition in the marine account, too. Howitzers, tank ammunition, and down the line, we put in everybody dime of ammo that they needed, and one of the gentlemen who complained about the top line was a Member who joined in letters asking for about \$300 million in add-ons. Now, that is not bad because I think that he too realizes that this defense budget is coming apart at the seams.

The Clinton defense plan is coming apart at the seams. It results in not enough ammunition for the troops, it results in not making the safety upgrades for 24 Aviate Marine jumpjets, and the marine aviators told us it would become 50 percent safer if they got those upgrades. It is very expensive

to do the upgrades, but we put the money in to do that. So, yes.

The second question, Do they need it? Answer is, "Absolutely, yes." In fact, according to the Clinton administration 2 years ago and the service Chiefs themselves, they need more, they need more than the top line we gave them.

Mr. Speaker, finally let me just say that the first obligation that we have is to defend this country, and for those Members who have talked about social needs and the need to balance this budget with social needs, it is balanced with social needs, it meets the most basic obligation; that is, to defend America.

This is an excellent bill, and the Committee on Rules has done a good job in putting this rule to the floor, and, yes, we do not have the first ever in history open rule on the defense bill, but the gentleman from California [Mr. DELLUMS] and I have engaged in a couple of 5- and 6-week defense bills at one time, and we did enjoy that debate, and I like to have as much time as possible, but I am also reminded that last year we got behind the gun and we finished our defense bill after the first of the year.

I like this rule. I think we are doing what the American people want.

Mr. Speaker, lastly let me make my last point to people that say these add-ons were not requested by the service. They were special add-ons that the members of Congress put in for pork in their district. That was the cry last year. We did a calculation, and with re-

spect to the additional requirements that we met in this bill with the Army, those requirements that we put in were 98 percent requested by the service. With the Navy it was 86 percent requested by the service. With the Marines it was 99 percent requested by the service. With the Air Force it was 95 percent requested by the service. And I thank our full committee chairman, the gentleman from South Carolina [Mr. SPENCE] for making sure we put those numbers down this time and set the story straight.

This is a good defense bill. Let us pass the rule and let us pass the bill.

Mr. FROST. Mr. Speaker, I yield myself 1 minute, and then I will yield the remaining time to the gentleman from California [Mr. DELLUMS].

Mr. Speaker, at the beginning of this Congress the Republican majority claimed that the House was going to consider bills under an open process. I would like to point out that 86 percent of the legislation this session has been considered under a restrictive rule. Not only are the Republicans restricting the process on the floor, they are also restricting Members' input during the committee process. I find it unfortunate that 48 percent of the legislation considered this session has not been reported from committee. In fact, 13 out of 27 measures brought up this session have been unreported.

Mr. Speaker, I insert the following extraneous material in the RECORD:

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed; contained a closed rule on H.R. 1 within the closed rule	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive; Motion adopted over Democratic objection in the Committee of the Whole to limit debate on section 4; Pre-printing gets preference.	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive; only certain substitutes; PQ	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive; considered in House no amendments	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open; Pre-printing gets preference	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open; Pre-printing gets preference	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open; Pre-printing gets preference	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open; Pre-printing gets preference; Contains self-executing provision	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive; brought up under UC with a 6 hr. time cap on amendments	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive; Put on Suspension Calendar over Democratic objection	None.
S. 2	Senate Compliance	N/A	Restrictive; makes in order only the Gibbons amendment; Waives all points of order; Contains self-executing provision; PQ.	1D.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Open	N/A.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Restrictive; makes in order only the Oby substitute	1D.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive; 10 hr. Time Cap on amendments; Pre-printing gets preference	N/A.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive; 10 hr. Time Cap on amendments	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Open	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Restrictive; 12 hr. time cap on amendments; Requires Members to pre-print their amendments in the Record prior to the bill's consideration for amendment; waives germaneness and budget act points of order as well as points of order concerning appropriating on a legislative bill against the committee substitute used as base text.	1D.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive; 8 hr. time cap on amendments; Pre-printing gets preference; Makes in order the Wyden amendment and waives germaneness against it.	N/A.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive; makes in order only 15 germane amendments and denies 64 germane amendments from being considered; PQ.	8D; 7R.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive; Combines emergency H.R. 1158 & nonemergency 1159 and strikes the abortion provision; makes in order only pre-printed amendments that include offsets within the same chapter (deeper cuts in programs already cut); waives points of order against three amendments; waives cl 2 of rule XXI against the bill, cl 2, XXI and cl 7 of rule XVI against the substitute; waives cl 2(e) of rule XXI against the amendments in the Record; 10 hr time cap on amendments. 30 minutes debate on each amendment.	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive; Makes in order only 4 amendments considered under a "Queen of the Hill" procedure and denies 21 germane amendments from being considered.	1D; 3R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115		
H.J. Res. 73*	Term Limits	H. Res. 116		

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION, COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive; Makes in order only 31 perfecting amendments and two substitutes; Denies 130 germane amendments from being considered; The substitutes are to be considered under a "Queen of the Hill" procedure; All points of order are waived against the amendments.	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A
H.R. 660*	Housing for Older Persons Act	H. Res. 125	Open	N/A
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive; Self Executes language that makes tax cuts contingent on the adoption of a balanced budget plan and strikes section 3006. Makes in order only one substitute. Waives all points of order against the bill, substitute made in order as original text and Gephardt substitute.	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive; waives cl 2(1)(6) of rule XI against the bill; makes H.R. 1391 in order as original text; makes in order only the Dingell substitute; allows Commerce Committee to file a report on the bill at any time.	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open; waives sections 302(f) and 308(a) of the Congressional Budget Act against the bill's consideration and the committee substitute; waives cl 5(a) of rule XXI against the committee substitute.	N/A
H.R. 961	Clean Water Act	H. Res. 140	Open; pre-printing gets preference; waives sections 302(f) and 602(b) of the Budget Act against the bill's consideration; waives cl 7 of rule XVI, cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Makes in order Shuster substitute as first order of business.	N/A
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive; Makes in order 4 substitutes under regular order; Gephardt, Neumann/Solomon, Payne/Owens, President's Budget if printed in Record on 5/17/95; waives all points of order against substitutes and concurrent resolution; suspends application of Rule XLIX with respect to the resolution; self-executes Agriculture language; PQ.	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive; Requires amendments to be printed in the Record prior to their consideration; 10 hr. time cap; waives cl 2(1)(6) of rule XI against the bill's consideration; Also waives sections 302(f), 303(a), 308(a) and 402(a) against the bill's consideration and the committee amendment in order as original text; waives cl 5(a) of rule XXI against the amendment; amendment consideration is closed at 2:30 p.m. on May 25, 1995. Self-executes provision which removes section 2210 from the bill. This was done at the request of the Budget Committee.	N/A
H.R. 1530	National Defense Authorization Act, FY 1996	H. Res. 164	Restrictive; Makes in order only the amendments printed in the report; waives all points of order against the bill, substitute and amendments printed in the report. Gives the Chairman en bloc authority. Self-executes a provision which strikes section 807 of the bill; provides for an additional 30 min. of debate on Nunn-Lugar section; Allows Mr. Clinger to offer a modification of his amendment with the concurrence of Ms. Collins; PQ.	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; 1 hr. general debate; Uses House passed budget numbers as threshold for spending amounts pending passage of Budget; PQ.	N/A
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive; Makes in order only 11 amendments; waives sections 302(f) and 308(a) of the Budget Act against the bill and cl. 2 and cl. 6 of rule XXI against the bill. All points of order are waived against the amendments; PQ.	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open; waives cl. 2, cl. 5(b), and cl. 6 of rule XXI against the bill; makes in order the Gillman amendments as first order of business; waives all points of order against the amendments; if adopted they will be considered as original text; waives cl. 2 of rule XXI against the amendments printed in the report. Pre-printing gets priority (Hall) (Menendez) (Goss) (Smith, NJ); PQ.	N/A
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open; waives cl. 2 and cl. 6 of rule XXI against the bill; makes in order the Shuster amendment as the first order of business; waives all points of order against the amendment; if adopted it will be considered as original text. Pre-printing gets priority.	N/A
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed; provides one hour of general debate and one motion to recommit with or without instructions; if there are instructions, the MO is debatable for 1 hr; PQ.	N/A
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive; Provides for consideration of the bill in the House; Permits the Chairman of the Appropriations Committee to offer one amendment which is unamendable; waives all points of order against the amendment; PQ.	N/A
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive; Provides for further consideration of the bill; makes in order only the four amendments printed in the rules report (20 min. each). Waives all points of order against the amendments; Prohibits intervening motions in the Committee of the Whole; Provides for an automatic rise and report following the disposition of the amendments; PQ.	N/A
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open; waives sections 302(f) and 308(a) of the Budget Act and cl 2 and cl 6 of rule XXI; provides that the bill be read by title; waives all points of order against the Tauzin amendment; self-executes Budget Committee amendment; waives cl 2(e) of rule XXI against amendments to the bill; Pre-printing gets priority; PQ.	N/A
H.R. 1977	Interior Appropriations	H. Res. 187	Open; waives sections 302(f), 306 and 308(a) of the Budget Act; waives clauses 2 and 6 of rule XXI against provisions in the bill; waives all points of order against the Tauzin amendment; provides that the bill be read by title; self-executes Budget Committee amendment and makes NEA funding subject to House passed authorization; waives cl 2(e) of rule XXI against the amendments to the bill; Pre-printing gets priority; PQ.	N/A
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open; waives clauses 2 and 6 of rule XXI against provisions in the bill; provides that the bill be read by title; Makes Skeen amendment first order of business, if adopted the amendment will be considered as base text (10 min.); Pre-printing gets priority; PQ.	N/A
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive; provides for the further consideration of the bill; allows only amendments pre-printed before July 14th to be considered; limits motions to rise.	N/A
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; provides the bill be read by title; Pre-printing gets priority; PQ.	N/A
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive; provides for consideration in the House of H.R. 2058 (90 min.) And H.J. Res. 96 (1 hr). Waives certain provisions of the Trade Act.	N/A
H.R. 2002	Transportation Appropriations	H. Res. 194	Open; waives cl. 3 Of rule XIII and section 401 (a) of the CBA against consideration of the bill; waives cl. 6 and cl. 2 of rule XXI against provisions in the bill; Makes in order the Clinger/Solomon amendment waives all points of order against the amendment (Line Item Veto); provides the bill be read by title; Pre-printing gets priority; PQ. *RULE AMENDED*.	N/A
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open; Makes in order the Resources Committee amendment in the nature of a substitute as original text. Pre-printing gets priority; Provides a Senate hook-up with S. 395.	N/A
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Pre-printing gets priority; provides the bill be read by title.	N/A
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; Provides that the amendment in part 1 of the report is the first business, if adopted it will be considered as base text (30 min.); waives all points of order against the Klug and Davis amendments. Pre-printing gets priority; Provides that the bill be read by title.	N/A
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive; 3 hours of general debate. Makes in order an amendment to be offered by the Minority Leader or a designee (1 hr); If motion to recommit has instructions it can only be offered by the Minority Leader or a designee.	ID.
H.R. 2126	Defense Appropriations	H. Res. 205	Open; waives cl. 2(1)(6) of rule XI and section 306 of the Congressional Budget Act against consideration of the bill; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; self-executes a strike of sections 8021 and 8024 of the bill as requested by the Budget Committee. Pre-printing gets priority. Provides the bill be read by title.	N/A

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive; waives sec. 302(f) of the Budget Act against consideration of the bill; Makes in order the Commerce Committee amendment as original text and waives sec. 302(f) of the Budget Act and cl. 5(a) of rule XXI against the amendment; Makes in order the Billey amendment (30 min.) as the first order of business, if adopted it will be original text; makes in order only the amendments printed in the report and waives all points of order against the amendments; provides a Senate hook-up with S. 652.	2R/3D/3 Bi-partisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open; Provides that the first order of business will be the managers amendments (10 min.), if adopted they will be considered as base text; waives cl. 2 and cl. 6 of rule XXI against provisions in the bill; waives all points of order against certain amendments printed in the report; Pre-printing gets priority; Provides the bill be read by title; PQ.	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open; 2 hr of gen. debate. makes in order the committee substitute as original text	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive; waives sections 302(f), 308(a) and 401(b) of the Budget Act. Makes in order the committee substitute as modified by Govt. Reform amend (striking sec. 505) and an amendment striking title VII. Cl 7 of rule XVI and cl 5(a) of rule XXI are waived against the substitute. Sections 302(f) and 401(b) of the CBA are also waived against the substitute. Amendments must also be pre-printed in the Congressional record.	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open; waives cl 7 of rule XVI against the committee substitute made in order as original text; Pre-printing gets priority.	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open; waives sections 302(f) and 308(a) of the Budget Act against consideration of the bill; bill will be read by title; waives cl 5(a) of rule XXI and section 302(f) of the Budget Act against the committee substitute. Pre-printing gets priority.	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open; waives sections 302(f) and 401(b) of the Budget Act against the substitute made in order as original text (H.R. 2332). cl. 5(a) of rule XXI is also waived against the substitute. Provides for consideration of the managers amendment (10 min.) if adopted, it is considered as base text.	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open; waives section 302(f) of the Budget Act against consideration of the bill; Makes H.R. 2349 in order as original text; waives section 302(f) of the Budget Act against the substitute as well as cl. 5(a) of rule XXI and cl. 1(q)(10) of rule X against the substitute; provides for the consideration of a managers amendment (10 min). If adopted, it is considered as base text; Pre-printing gets priority; PQ.	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive; waives cl 2(1)(2)(B) of rule XI against consideration of the bill; makes in order H.R. 2347 as base text; waives cl 7 of rule XVI against the substitute; Makes Hamilton amendment the first amendment to be considered (1 hr). Makes in order only amendments printed in the report.	2R/2D
H.R. 743	The Teamwork for Employees and managers Act of 1995	H. Res. 226	Open; waives cl 2(1)(2)(b) of rule XI against consideration of the bill; makes in order the committee amendment as original text; Pre-printing gets priority.	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open; makes in order a committee amendment as original text; Pre-printing gets priority	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open; makes in order a committee amendment as original text; pre-printing gets priority	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open; self-executes a provision striking section 304(b)(3) of the bill (Commerce Committee request); Pre-printing gets priority.	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive; waives cl 2(1)(2)(B) of rule XI against the bill's consideration; makes in order the text of the Senate bill S. 1254 as original text; Makes in order only a Conyers substitute; provides a senate hook-up after adoption.	1D
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive; waives all points of order against the bill's consideration; makes in order the text of H.R. 2485 as original text; waives all points of order against H.R. 2485; makes in order only an amendment offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (½ requirement on votes raising taxes); PQ.	1D
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive; provides for consideration of the bill in the House	N/A
H.R. 2491	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive; makes in order H.R. 2517 as original text; waives all points of order against the bill; Makes in order only H.R. 2530 as an amendment only if offered by the Minority Leader or a designee; waives all points of order against the amendment; waives cl 5(c) of rule XXI (½ requirement on votes raising taxes); PQ.	1D
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive; waives all points of order against the bill's consideration; Makes in order the Walsh amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 2 and 6 of rule XXI against the bill; makes in order the Bonilla, Gunderson and Hostettler amendments (30 min.); waives all points of order against the amendments; debate on any further amendments is limited to 30 min. each.	N/A
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee.	N/A
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive; Provides for the immediate consideration of the CR; one motion to recommit which may have instructions only if offered by the Minority Leader or a designee; self-executes 4 amendments in the rule; Solomon, Medicare Coverage of Certain Anti-Cancer Drug Treatments, Habeas Corpus Reform, Chrysler (MI); makes in order the Walker amend (40 min.) on regulatory reform.	5R
H.R. 2539	ICC Termination	H. Res. 259	Open; waives section 302(f) and section 308(a)	N/A.
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H.R. 2585	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed; provides for the immediate consideration of a motion by the Majority Leader or his designees to dispose of the Senate amendments (1hr).	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed; provides for consideration of the bill in the House; 30 min. of debate; makes in order the Burton amendment and the Gingrich en bloc amendment (30 min. each); waives all points of order against the amendments; Gingrich is only in order if Burton fails or is not offered.	2R
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open; waives cl. 2(1)(6) of rule XI against the bill's consideration; waives all points of order against the Istook and McIntosh amendments.	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive; waives all points of order against the bill's consideration; provides one motion to amend if offered by the Minority Leader or designee (1 hr non-amendable); motion to recommit which may have instructions only if offered by Minority Leader or his designee; if Minority Leader motion is not offered debate time will be extended by 1 hr.	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open; waives all points of order against the bill's consideration; makes in order the Transportation substitute modified by the amend in the report; Bill read by title; waives all points of order against the substitute; makes in order a managers amend as the first order of business, if adopted it is considered base text (10 min.); waives all points of order against the amendment; Pre-printing gets priority.	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open; makes in order the committee substitute as original text; makes in order a managers amendment which if adopted is considered as original text (20 min.) unamendable; pre-printing gets priority.	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed; provides for the adoption of the Ways & Means amendment printed in the report. 1 hr. of general debate; PQ.	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open; waives cl 2(1)(6) of rule XI and sections 302(f) and 311(a) of the Budget Act against the bill's consideration. Makes in order the Resources substitute as base text and waives cl 7 of rule XVI and sections 302(f) and 308(a) of the Budget Act; makes in order a managers' amend as the first order of business, if adopted it is considered base text (10 min).	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed; makes in order three resolutions; H.R. 2770 (Dornan), H. Res. 302 (Buyer), and H. Res. 306 (Gephardt); 1 hour of debate on each.	1D; 2R
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed; provides 2 hours of general debate in the House; PQ	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open; pre-printing gets priority	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed; consideration in the House; self-executes Young amendment	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
PROCEDURE IN THE 104TH CONGRESS 2D SESSION				
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A
H.J. Res. 134 H. Con. Res. 131	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed; provides to take from the Speaker's table H.J. Res. 134 with the Senate amendment and concur with the Senate amendment with an amendment (H. Con. Res. 131) which is self-executed in the rule. The rule provides further that the bill shall not be sent back to the Senate until the Senate agrees to the provisions of H. Con. Res. 131. ** NR; PQ.	N/A
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed; provides to take the bill from the Speaker's table with the Senate amendment, and consider in the House the motion printed in the Rules Committee report; 1 hr. of general debate; previous question is considered as ordered. ** NR; PQ.	N/A
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed; ** NR; PQ	N/A
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive; waives all points of order against the bill; 2 hrs of general debate; makes in order a committee substitute as original text and waives all points of order against the substitute; makes in order only the 16 amendments printed in the report and waives all points of order against the amendments; circumvents unfunded mandates law; Chairman has en bloc authority for amendments in report (20 min.) on each en bloc; PQ.	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; makes in order the Hyde substitute printed in the Record as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority; vacates the House action on S. 219 and provides to take the bill from the Speaker's table and consider the Senate bill; allows Chrmn. Clinger a motion to strike all after the enacting clause of the Senate bill and insert the text of H.R. 994 as passed by the House (1 hr) debate; waives germaneness against the motion; provides if the motion is adopted that it is in order for the House to insist on its amendments and request a conference.	N/A
H.R. 3021	To Guarantee the Continuing Full Investment of Social security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule; gives one motion to recommit, which if it contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	N/A
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive; self-executes CBO language regarding contingency funds in section 2 of the rule; makes in order only the amendments printed in the report; Lowey (20 min), Istook (20 min), Crapo (20 min), Obey (1 hr); waives all points of order against the amendments; give one motion to recommit, which if it contains instructions, may only if offered by the Minority Leader or his designee. ** NR.	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive; makes in order only the amendments printed in the report; waives all points of order against the amendments; gives Judiciary Chairman en bloc authority (20 min.) on en bloc; provides a Senate hook-up with S. 735. ** NR.	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive; waives all points of order against the bill and amendments in the report except for those arising under sec. 425(a) of the Budget Act (unfunded mandates); 2 hrs. of general debate on the bill; makes in order the committee substitute as base text; makes in order only the amendments in the report; gives the Judiciary Chairman en bloc authority (20 min.) of debate on the en bloc; self-executes the Smith (TX) amendment re: employee verification program; PQ.	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed; provides for the consideration of the CR in the House and gives one motion to recommit which may contain instructions only if offered by the Minority Leader; the rule also waives cl 4(b) of rule XI against the following: an omnibus appropriations bill, another CR, a bill extending the debt limit. ** NR.	N/A
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed; self-executes an amendment; provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee. ** NR.	N/A
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed; provides for the consideration of the bill in the House; self-executes an amendment in the Rules report; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the bill's consideration; orders the PQ except 1 hr. of general debate between the Chairman and Ranking Member of Ways and Means; one Archer amendment (10 min.); one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; Provides a Senate hookup if the Senate passes S. 4 by March 30, 1996. ** NR.	N/A
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive; 2 hrs. of general debate (45 min. split by Ways and Means) (45 split by Commerce) (30 split by Economic and Educational Opportunities); self-executes H.R. 3160 as modified by the amendment in the Rules report as original text; waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA; makes in order a Democratic substitute (1 hr.) waives all points of order, except sec. 425(a) (unfunded mandates) of the CBA, against the amendment; one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee; waives cl 5(c) of Rule XXI (requiring 3/5 vote on any tax increase) on votes on the bill, amendments or conference reports.	N/A
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive; provides for consideration of the bill in the House; 3 hrs of general debate; Makes in order H.J. Res. 159 as original text; allows for an amendment to be offered by the Minority Leader or his designee (1 hr) ** NR; PQ.	1D
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open; 2 hrs. of general debate; Pre-printing gets priority	N/A
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open; Pre-printing gets priority	N/A
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open; Makes the Young amendment printed in the 4/16/96 Record in order as original text; waives cl 7 of rule XVI against the amendment; Pre-printing gets priority. ** NR.	N/A
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed; provides for consideration of the bill in the House; one motion to recommit which, if containing instructions, may be offered by the Minority Leader or his designee. ** NR.	N/A
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open; Pre-printing gets priority; Senate hook-up. ** PQ	N/A
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open; Makes in order a managers amendment as the first order of business (10 min.); if adopted it is considered as base text; waives cl 7 of rule XVI against the managers amendment; Pre-printing gets priority; makes in order an Obestar en bloc amendment.	N/A
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open; waives cl 7 of rule XIII against consideration of the bill; makes in order the Judiciary substitute printed in the bill as original text; waives cl 7 of rule XVI against the substitute; Pre-printing gets priority.	N/A
H.R. 2406	The United States Housing Act of 1995	H. Res. 426	Open; makes in order the committee substitute printed in the bill as original text; waives cl 5(a) of rule XXI against the substitute; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; Pre-printing gets priority; provides a Senate hook-up.	N/A
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open; waives cl 2(i)(2) of rule XI against the bill's consideration; makes in order a managers amendment as the first order of business (10 min); if adopted it is considered as base text; waives cl 5(a) of rule XXI against the bill; pre-printing gets priority.	N/A
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive; provides consideration of the bill in the House; makes in order the Ways & Means substitute printed in the bill as original text; makes in order a Gibbons amendment to title II (30 min) and a Young amendment (30 min); provides one motion to recommit which may contain instructions only if offered by the Minority Leader or his designee.	1D; 1R
H.R. 3230	Defense Authorization Bill FY 1997	H. Res. 430	Restrictive	41 amends; 20D; 17R; 4 bipartisan

* Contract Bills, 67% restrictive; 33% open. ** All legislation 1st Session, 53% restrictive; 47% open. *** All legislation 2d Session, 87% restrictive; 13% open. **** All legislation 104th Congress, 58% restrictive; 42% open. ***** NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. ***** PQ indicates that previous question was ordered on the resolution. ***** Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

LEGISLATION IN THE 104TH CONGRESS, 2ND SESSION

To date 13 out of 23, or 57% of the bills considered under rules in the 2nd session of the 104th Congress have been considered under an irregular procedure which circumvents the standard committee procedure. They have been brought to the floor without any committee reporting them. They are as follows:

H.R. 1643, to authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.

H.J. Res. 134, making continuing appropriations for fiscal year 1996.

H.R. 1358, conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.

H.R. 2924, the Social Security Guarantee Act.

H.R. 3021, to guarantee the continuing full investment of Social Security and other Federal funds in obligations of the United States.

H.R. 3019, a further downpayment toward a balanced budget.

H.R. 2703, the effective Death Penalty and Public Safety Act of 1996.

H.J. Res. 165, making further continuing appropriations for fiscal year 1996.

H.R. 125, the Crime Enforcement and Second Amendment Restoration Act of 1996.

H.R. 3136, the Contract With America Advancement Act of 1996.

H.J. Res. 159, tax limitation constitutional amendment.

H.R. 1675, National Wildlife Refuge Improvement Act of 1995.

H.J. Res. 175, making further continuing appropriations for fiscal year 1996.

THE TRADITION OF OPEN RULES UNDER DEMOCRATIC MANAGEMENT OF THE HOUSE

Mr. Speaker, several times during this debate my Republican colleagues have asserted that the Department of Defense authorization bill was never before considered under an open rule and therefore they are justified in restricting amendments and not permitting debate on the amount of money to be spent on ballistic missiles or environmental restoration or, in total, on defense.

In fact, the longstanding tradition of the House, when the Democratic Party controlled this body, was to consider DOD authorization bills under an open rule. Until the 99th Congress, all DOD authorization bills were considered under open rules. For example, in each session of the 98th Congress the annual DOD authorization bill was considered under an open rule (H. Res. 197 and H. Res. 494). If Republicans had offered an open rule, it would not have been the first such rule for consideration of this important annual authorization bill.

Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. DELLUMS].

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman from Texas [Mr. FROST] for his generosity in yielding this time to me, and, Mr. Speaker and Members, we come to the close of this debate. As I said earlier, this is a debate on the procedure by which we will discuss the military policy of this country. Let me try to place that in proper context.

We now find ourselves in the context of a post-cold-war world, a significant

period in American world history. We do not even know quite how to name it. We simply call it post-cold war. But it is a moment that provides with it an enormous opportunity, Mr. Speaker, an enormous opportunity to redefine our national security agenda, redefine our national security strategy in the context of the realities of the post-cold-war world.

I believe that that new post-cold-war national security strategy ought to embrace three elements: First, a healthy, vibrant American economy, which means a well-educated, well-informed, well-trained American citizenry, healthy, where there is a commitment to full employment, commitment to our children, commitment to our future.

The second element of our national security strategy ought to be a foreign policy rooted in the notions of prevention, where there is a heavier reliance on political, economic, social and diplomatic solutions to problems that would preclude the need to go to the extraordinary step of war.

And, finally, the third element of our national security strategy: a properly sized, properly trained, properly equipped military to meet the realities as we move toward the 21st century.

This military budget addresses that third element.

This military budget, as I said earlier, is to the tune of \$267 billion.

Mr. Speaker, let me place that in context for people who do not understand. America's military budget is roughly equivalent to all the other military budgets in the world combined, and if we add the military budgets of America's allies in Europe and in Asia, our friends, combine those budgets, America and its friends spend in excess of 80 percent of the world's military budget, leaving slightly over 19 percent of the rest of the world's military budget in the hands of, quote, potential adversaries.

We are outspending the rest of the world, the United States and its friends, four to one. So this notion about America's military budget falling apart is a farce; it is a bizarre notion.

But we ought to intellectually grapple with each other, Mr. Speaker. I am prepared to lay down old labels, old ideas, old paradigms, old policy and old programs, but let us talk about it. There is a fiscal dimension to this. The people who put \$13 billion see great dangers and see the need to march forward almost in cold war fashion. But there are those of us who see the potential, the possibilities and the great promise of moving the world away from war and moving the world away from the need to spend so much money on defense.

We ought to, irrespective of whether we agree or disagree, have the right to debate these matters free and open,

and all I ask, in conclusion, Mr. Speaker, is the opportunity for free and open debate. It does not have to be an open rule. We can have a substantive debate without having open rule.

This rule is so constricted and so confined that we cannot even get to the intelligent rationale that ought to be the business of the United States Congress.

I urge my colleagues to oppose this rule, go back and give us the opportunity to stand here and carry out our responsibilities as dignified Members of the Congress.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman from New York has 2½ minutes remaining.

Mr. SOLOMON. Mr. Speaker, I will not use all of our time. I will be as brief as I can just to point out the gentleman seems to be concerned at our level of defense spending. He complains that our budget is much bigger than it should be. Yet just look across the Pacific, look at the country of the People's Republic of China who in the last several years have doubled their defense budget, and are using, and I will not yield at this point; my colleague should not interrupt a closer. The People's Republic of China are taking the weapons that they are producing today and giving it to the stated terrorist nation enemies, professed enemies of this country like Iran, Iraq, Libya, and others, and North Korea. This country's first obligation is to be prepared militarily to defend the interests of the United States of America around this world. That is what this budget does.

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

The previous question was ordered. The SPEAKER pro tempore. The question is on the resolution.

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

Mr. DELLUMS. 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—235, nays 149, not voting 49, as follows:

[Roll No. 166]

YEAS—235

Abercrombie	Barton	Bonilla
Allard	Bass	Bono
Archer	Bateman	Brewster
Army	Bereuter	Browder
Bachus	Bilbray	Brown (FL)
Ballenger	Bilirakis	Bryant (TN)
Barr	Bliley	Bunning
Barrett (NE)	Blute	Burr
Bartlett	Boehert	Burton

Buyer	Hancock	Oberstar
Callahan	Hansen	Ortiz
Calvert	Hastert	Oxley
Camp	Hastings (WA)	Packard
Campbell	Hayworth	Parker
Canady	Hefley	Petri
Chabot	Hefner	Pombo
Chambliss	Heineman	Porter
Chenoweth	Hillery	Pryce
Christensen	Hobson	Quillen
Chrysler	Hoekstra	Lowey
Clayton	Horn	Luther
Clement	Housettler	Maloney
Clinger	Houghton	Ramstad
Coble	Hunter	Rangel
Coburn	Hutchinson	Regula
Coleman	Hyde	Richardson
Collins (GA)	Inglis	Riggs
Combest	Istook	Rogers
Cooley	Johnson, E. B.	Rohrabacher
Cox	Johnson, Sam	Rose
Cramer	Kasich	Roth
Crane	Kelly	Royce
Crapo	Kennedy (RI)	Salmon
Creameans	Kim	Saxton
Cubin	King	Schaefer
Davis	Kingston	Schiff
de la Garza	Klink	Seastrand
Deal	Klug	Sensenbrenner
DeLay	Knollenberg	Shadegg
Diaz-Balart	Kolbe	Shaw
Dixon	LaHood	Shuster
Doolittle	Largent	Sisk
Dornan	Latham	Skeen
Dreier	LaTourette	Smith (MI)
Duncan	Lazio	Smith (TX)
Dunn	Leach	Smith (WA)
Edwards	Lewis (CA)	Solomon
Ehlers	Lewis (KY)	Souder
Ehrlich	Lightfoot	Spence
Emerson	Linder	Stearns
English	Livingston	Stein
Everett	LoBiondo	Stump
Ewing	Longley	Talent
Fawell	Lucas	Tate
Flanagan	Manton	Tauzin
Foley	Manzullo	Taylor (MS)
Forbes	McCollum	Taylor (NC)
Fowler	McCrery	Tejeda
Fox	McHale	Thomas
Franks (CT)	McHugh	Thompson
Franks (NJ)	McInnis	Thornberry
Frelinghuysen	McIntosh	Torkildsen
Frisa	McKeon	Traficant
Frost	Meeke	Vucanovich
Funderburk	Metcalfe	Walker
Gekas	Meyers	Walsh
Geren	Mica	Wamp
Gilchrest	Miller (FL)	Waters
Gillmor	Mollohan	Watts (OK)
Gilman	Montgomery	Weldon (FL)
Goodlatte	Moorhead	White
Goodling	Murtha	Whitfield
Goss	Myers	Wicker
Graham	Myrick	Wilson
Green (TX)	Nethercutt	Wolf
Greene (UT)	Neumann	Young (AK)
Greenwood	Ney	Young (FL)
Gutknecht	Norwood	
Hall (TX)	Nussle	

NAYS—149

Ackerman	Coyne	Ganske
Andrews	Cummings	Gephardt
Baessler	Danner	Gibbons
Baldacci	DeFazio	Gonzalez
Barcia	DeLauro	Gordon
Barrett (WI)	Dellums	Gutierrez
Becerra	Deutsch	Hamilton
Bellenson	Dingell	Harman
Bentsen	Doggett	Hastings (FL)
Bishop	Doyle	Hillard
Boniior	Durbin	Hinchee
Borski	Engel	Hoke
Boucher	Eshoo	Hoyer
Brown (CA)	Evans	Jackson (IL)
Bryant (TX)	Farr	Jackson-Lee
Bunn	Fattah	(TX)
Cardin	Fazio	Jacobs
Castle	Fields (LA)	Johnson (CT)
Chapman	Filner	Johnson (SD)
Clyburn	Flake	Johnston
Collins (MI)	Foglietta	Kanjorski
Condit	Frank (MA)	Kennedy (MA)
Costello	Furse	Kennelly

Killee	Neal	Shays
Klecza	Obey	Skaggs
LaFalce	Oliver	Slaughter
Lantos	Orton	Smith (NJ)
Levin	Owens	Spratt
Lewis (GA)	Pallone	Stark
Lincoln	Pastor	Stokes
Lipinski	Payne (NJ)	Studds
Lofgren	Payne (VA)	Thurman
Lowey	Pelosi	Torres
Luther	Peterson (FL)	Torricelli
Maloney	Peterson (MN)	Towns
Martinez	Pickett	Upton
Martini	Pomeroy	Velazquez
Mascara	Poshard	Vento
Matsui	Rahall	Visclosky
McCarthy	Reed	Volkmer
McDermott	Rivers	Ward
McKinney	Roemer	Watt (NC)
McNulty	Roybal-Allard	Waxman
Meehan	Rush	Weller
Millender-	Sabo	Wise
McDonald	Sanders	Woolsey
Minge	Sanford	Wynn
Mink	Sawyer	Yates
Moran	Schumer	Zimmer
Morella	Scott	
Nadler	Serrano	

NOT VOTING—49

Baker (CA)	Gallegly	Paxon
Baker (LA)	Gejdenson	Portman
Berman	Gunderson	Roberts
Bevill	Hall (OH)	Ros-Lehtinen
Boehner	Hayes	Roukema
Brown (OH)	Herger	Scarborough
Brownback	Holden	Schroeder
Clay	Jefferson	Skelton
Collins (IL)	Jones	Stupak
Conyers	Kaptur	Tanner
Cunningham	Laughlin	Thornton
Dickey	Markey	Tiahrt
Dicks	McDade	Weldon (PA)
Dooley	Menendez	Williams
Ensign	Miller (CA)	Zeliff
Fields (TX)	Moakley	
Ford	Mollinari	

□ 1347

The Clerk announced the following pairs:

On this vote:

Mr. Dicks for, with Mr. Moakley against.

Mr. Herger for, with Mrs. Collins of Illinois against.

Mr. Scarborough for, with Mr. Conyers against.

Mrs. KENNELLY and Mr. SANFORD changed their vote from "yea" to "nay."

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.

PERSONAL EXPLANATION

Ms. ROS-LEHTINEN. I would have voted "aye" on House Resolution 430 if I had been present for this vote.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, due to a family emergency, on May 10, 1996, I was absent from the Capitol and missed votes on rollcall No. 163, approving the Journal; rollcall No. 164, the Young amendment to H.R. 3286; rollcall No. 165, passage of H.R. 3286; and rollcall No. 166, passage of House Resolution 430. Had I been present, I would have voted "yes" on rollcall No. 163, "no" on rollcall No. 164, "yes" on rollcall No. 165, and "yes" on rollcall No. 166.

LEGISLATIVE PROGRAM

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

Mr. BONIOR. Mr. Speaker, I yield to the distinguished majority whip to inquire of the schedule for the rest of the week and for next week.

Mr. DELAY. I am pleased to announce that we have concluded our legislative business for the week.

On Monday, May 13, the House will not be in session. On Tuesday, May 14, the House will meet at 12:30 p.m. for morning hour and 2 p.m. for legislative business. Members should note that we do not anticipate votes until after 5 p.m. on Tuesday, May 14.

Mr. Speaker, on Tuesday next, we will consider a number of bills under suspension of the rules. I will not read through the list at this time, but a complete schedule will be distributed to all Members' offices this afternoon.

After consideration of the suspensions, we will take up H.R. 3230, the National Defense Authorization Act for Fiscal Year 1997, the rule for which was just passed today.

On Wednesday, May 15, the House will meet at 9 a.m. and recess immediately for the Former Members' Day annual meeting. We expect to resume legislative business by 10 a.m. and complete consideration of H.R. 3230, the National Defense Authorization bill.

On Thursday, May 16, the House will meet at 10 a.m. to consider the fiscal year 1997 budget resolution.

Mr. Speaker, we should finish legislative business and have Members on their way home by 6 p.m. on Thursday, May 16.

I thank the gentleman for yielding.

Mr. BONIOR. I thank the gentleman for the information and would ask him if he plans to consider next week either of these two bills, the ballistic missile defense bill or the United Nations command and control bill.

Mr. DELAY. We do not anticipate consideration of either of those bills next week.

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

Mr. BONIOR. I yield to the gentleman from Indiana.

Mr. ROEMER. Mr. Speaker, I would just like to ask the distinguished gentleman from Texas a few questions. As we enter into the weekend and Mother's Day, certainly many of us are glad that we are out now to spend time in our home districts and see our families. We would just like to be able to next week have a certain schedule, so that it is not a repeat of this week when the gentleman told us that we would start votes at 2 and be out at 6 on Tuesday, and then we did not start votes until 7 and we were going until about 11.

Certainly on Tuesday of next week, from the distinguished majority leader's comments to us, he said we would come in at 12:30 and start votes at 5.

Does the gentleman know what time, then, that we will conclude business Tuesday night? Will it be 10 or 11? We certainly do not mind working hard Tuesday night, but if we could just have some certainty as to what the time is.

Mr. DELAY. If the gentleman will yield further, the gentleman's concerns are well founded. We found ourselves in circumstances that were beyond our control that caused us to work later than we anticipated this week. But I think the gentleman can count on, at least Tuesday night, going until 10 or 11 at night. We hope to get through the general debate on the defense bill and start votes somewhere around 5 and go until 10 or 11 Tuesday night.

Mr. ROEMER. If the gentleman will continue to yield, would the gentleman from Texas be open to starting much earlier in the morning Tuesday, instead of starting at 12:30, start working, like people in Indiana, about 7:30, 8 a.m. in the morning, and we get business going then to get into this complicated defense bill?

Mr. DELAY. I understand the gentleman's suggestion. I appreciate the suggestion. I do not think other Members would, in that we are trying to hold to the schedules as announced many weeks ago. And Members, particularly those Members from the West Coast, need the time to get here by 5 o'clock Tuesday night or they would have to fly the "red eye" Monday night.

It is an announced schedule, it has been preannounced. Members have already planned their schedules back in their districts, and I think it would be very difficult to start earlier.

Mr. ROEMER. I thank the gentleman.

Mr. BONIOR. I have another question on the schedule. There have been discussions and rumors on the floor that the 3 days at the end of the week, the last week of May, the 29th, 30th and 31st, might be days that the House may not meet.

Can the gentleman enlighten us on the schedule in the latter part of the Memorial Day weekend schedule?

Mr. DELAY. If the gentleman will yield further, right now we are hoping to get our work done on the appropriations bills, and those 3 days, at least at this point, we are planning on using to pass appropriations bills. So we anticipate working those 3 days.

Mr. ENGEL. Mr. Speaker, will the gentlemen yield?

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

Mr. ENGEL. I thank the gentleman for yielding. I would like to ask the gentleman from Texas a little more clarification about Tuesday night.

Does he anticipate votes Tuesday night on the Defense Authorization Act as well as the others?

Mr. DELAY. If the gentleman will yield further, that is correct. There

will be amendments to the Defense Authorization Act as laid out in the rule, and we anticipate votes on those amendments.

Mr. ENGEL. On Tuesday night?

Mr. DELAY. On Tuesday night, starting about 5. The votes could come as soon as 5.

Mr. ENGEL. So not just votes Tuesday night on the suspensions, votes also on the Defense bill?

Mr. DELAY. That is correct.

Mr. ENGEL. I thank the gentleman.

Mr. BONIOR. I thank the gentleman from Texas.

ADJOURNMENT TO TUESDAY, MAY 14, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Tuesday, May 14, 1996, for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

HOUR OF MEETING ON WEDNESDAY, MAY 15, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, May 14, 1996, it adjourn to meet at 9 a.m. on Wednesday, May 15, for the purpose of receiving in this Chamber former Members of Congress.

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

There was no objection.

ANNOUNCEMENT OF 60-MINUTE SPECIAL ORDER IN TRIBUTE TO MEDAL OF HONOR WINNER ADMIRAL JOHN BULKELEY AND AVAILABILITY OF TAPE

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

Mr. DORNAN. Mr. Speaker, two items. No. 1, on the first special order tonight, and I will be doing an hour tribute to a man who was a legend in his life, a living Navy legend up until a few weeks ago, Admiral John Duncan

Bulkeley, Medal of Honor winner, the man who took General MacArthur off Corregidor. Fifty-five years on Navy active duty and not a single member of this administration showed up at his funeral.

Ron Brown, a pleasant chap, got a week of orations and eulogies. Nothing for this Medal of Honor winner. No Senators, no other Congressmen but myself, no Secretaries of the Navy or former Secretaries of the Navy. It was just astounding to me that this great man was all but ignored. I am doing a 1-hour tribute to him today.

Also in my office is available for any Member who wants it, any Senator who wants it, a short tape, 5 or 6 minutes, about a near orgy held in the Federal Building down Constitution, and permission was given by some people on this Hill. See this tape to see what is happening with Federal buildings and homosexual galas.

MINIMUM WAGE AND PENTAGON PORK

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, we've just passed the rule for the Defense Authorization bill.

Soon we will be voting on the Department of Defense's authorization bill. In that bill, Republican leaders have decided to give the Pentagon \$13 billion more than it asked for. At the same time, however, the Republican leadership insists on making deep cuts in Medicare, Medicaid, education, and the environment in their new budget.

This, we are told, is necessary to balance the budget. But if that's the case, then why does the largest bureaucracy in the world—the Pentagon—need a \$13 billion raise?

How is it that the Pentagon gets a \$13 billion increase, but that low wage American workers can't get a .45 cent increase in their hourly wage?

Mr. Speaker, we can and should balance the budget. But we should do it by cutting corporate welfare and reducing our bloated military budget. And to my Republican colleagues I say, if you want to go after wasteful spending, Pentagon pork is a good place to start.

UNITED STATES HOUSING ACT OF 1996

The text of the bill (H.R. 2406), as passed by the House on May 9, 1996, is as follows:

Resolved, That the bill from the Senate (S. 1260) entitled "An Act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes", do pass with the following amendments: Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "United States Housing Act of 1996".

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title and table of contents.
Sec. 2. Declaration of policy to renew American neighborhoods.

TITLE I—GENERAL PROVISIONS

- Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income and median income.
Sec. 105. Occupancy limitations based on illegal drug activity and alcohol abuse.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Reporting requirements.
Sec. 110. Pet ownership.
Sec. 111. Administrative grievance procedure.
Sec. 112. Headquarters reserve fund.
Sec. 113. Labor standards.
Sec. 114. Nondiscrimination.
Sec. 115. Prohibition on use of funds.
Sec. 116. Inapplicability to Indian housing.
Sec. 117. Effective date and regulations.

TITLE II—PUBLIC HOUSING**Subtitle A—Block Grants**

- Sec. 201. Block grant contracts.
Sec. 202. Block grant authority, amount, and eligibility.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

- Sec. 221. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.
Sec. 225. Family rental payment.
Sec. 226. Lease requirements.
Sec. 227. Designated housing for elderly and disabled families.

Subtitle C—Management

- Sec. 231. Management procedures.
Sec. 232. Housing quality requirements.
Sec. 233. Employment of residents.
Sec. 234. Resident councils and resident management corporations.
Sec. 235. Management by resident management corporation.
Sec. 236. Transfer of management of certain housing to independent manager at request of residents.

- Sec. 237. Resident opportunity program.

Subtitle D—Homeownership

- Sec. 251. Resident homeownership programs.
Subtitle E—Disposition, Demolition, and Revitalization of Developments
Sec. 261. Requirements for demolition and disposition of developments.
Sec. 262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 263. Voluntary voucher system for public housing.

Subtitle F—General Provisions

- Sec. 271. Conversion to block grant assistance.
Sec. 272. Payment of non-Federal share.
Sec. 273. Definitions.
Sec. 274. Authorization of appropriations for block grants.
Sec. 275. Authorization of appropriations for operation safe home.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES**Subtitle A—Allocation**

- Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
Sec. 303. Eligibility of LHMA's for assistance amounts.
Sec. 304. Allocation of amounts.
Sec. 305. Administrative fees.
Sec. 306. Authorizations of appropriations.
Sec. 307. Conversion of section 8 assistance.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

- Sec. 321. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 328. Eligible dwelling units.
Sec. 329. Homeownership option.
Sec. 330. Assistance for rental of manufactured homes.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

- Sec. 351. Housing assistance payments contracts.
Sec. 352. Amount of monthly assistance payment.
Sec. 353. Payment standards.
Sec. 354. Reasonable rents.
Sec. 355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

- Sec. 371. Definitions.
Sec. 372. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES**Subtitle A—Housing Foundation and Accreditation Board**

- Sec. 401. Establishment.
Sec. 402. Membership.
Sec. 403. Functions.
Sec. 404. Initial establishment of standards and procedures for LHMA compliance.
Sec. 405. Powers.
Sec. 406. Fees.
Sec. 407. Reports.
Sec. 408. GAO Audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

- Sec. 431. Establishment of performance benchmarks and accreditation procedures.
Sec. 432. Financial and performance audit.
Sec. 433. Accreditation.
Sec. 434. Classification by performance category.
Sec. 435. Performance agreements for authorities at risk of becoming troubled.
Sec. 436. Performance agreements and CDBG sanctions for troubled LHMA's.
Sec. 437. Option to demand conveyance of title to or possession of public housing.
Sec. 438. Removal of ineffective LHMA's.
Sec. 439. Mandatory takeover of chronically troubled PHA's.
Sec. 440. Treatment of troubled PHA's.
Sec. 441. Maintenance of and access to records.
Sec. 442. Annual reports regarding troubled LHMA's.
Sec. 443. Applicability to resident management corporations.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

- Sec. 501. Repeals.
Sec. 502. Conforming and technical provisions.
Sec. 503. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.
Sec. 504. Treatment of certain projects.
Sec. 505. Amendments relating to community development assistance.
Sec. 506. Authority to transfer surplus real property for housing use.
Sec. 507. Rural housing assistance.
Sec. 508. Treatment of occupancy standards.
Sec. 509. Implementation of plan.
Sec. 510. Income eligibility for HOME and CDBG programs.
Sec. 511. Amendments relating to section 236 program.
Sec. 512. Prospective application of gold clauses.
Sec. 513. Moving to work demonstration for the 21st century.
Sec. 514. Occupancy screening and evictions from federally assisted housing.
Sec. 515. Use of American products.
Sec. 516. Limitation on extent of use of loan guarantees for housing purposes.
Sec. 517. Consultation with affected areas in settlement of litigation.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

- Sec. 601. Establishment.
Sec. 602. Membership.
Sec. 603. Organization.
Sec. 604. Functions.
Sec. 605. Powers.
Sec. 606. Funding.
Sec. 607. Sunset.

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

- Sec. 701. Short title.
Sec. 702. Congressional findings.
Sec. 703. Administration through Office of Native American Programs.
Sec. 704. Definitions.

Subtitle A—Block Grants and Grant Requirements

- Sec. 711. Block grants.
Sec. 712. Local housing plans.
Sec. 713. Review of plans.
Sec. 714. Treatment of program income and labor standards.
Sec. 715. Environmental review.
Sec. 716. Regulations.
Sec. 717. Effective date.
Sec. 718. Authorization of appropriations.

Subtitle B—Affordable Housing Activities

- Sec. 721. National objectives and eligible families.
Sec. 722. Eligible affordable housing activities.
Sec. 723. Required affordable housing activities.
Sec. 724. Types of investments.
Sec. 725. Low-income requirement and income targeting.
Sec. 726. Certification of compliance with subsidy layering requirements.
Sec. 727. Lease requirements and tenant selection.
Sec. 728. Repayment.
Sec. 729. Continued use of amounts for affordable housing.

Subtitle C—Allocation of Grant Amounts

- Sec. 741. Annual allocation.
Sec. 742. Allocation formula.

Subtitle D—Compliance, Audits, and Reports

- Sec. 751. Remedies for noncompliance.
Sec. 752. Replacement of recipient.
Sec. 753. Monitoring of compliance.
Sec. 754. Performance reports.
Sec. 755. Review and audit by Secretary.

Sec. 756. GAO audits.

Sec. 757. Reports to Congress.

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

Sec. 761. Termination of Indian public housing assistance under United States Housing Act of 1937.

Sec. 762. Termination of new commitments for rental assistance.

Sec. 763. Termination of youthbuild program assistance.

Sec. 764. Termination of HOME program assistance.

Sec. 765. Termination of housing assistance for the homeless.

Sec. 766. Savings provision.

Sec. 767. Effective date.

Subtitle F—Loan Guarantees for Affordable Housing Activities

Sec. 771. Authority and requirements.

Sec. 772. Security and repayment.

Sec. 773. Payment of interest.

Sec. 774. Treasury borrowing.

Sec. 775. Training and information.

Sec. 776. Limitations on amount of guarantees.

Sec. 777. Effective date.

Subtitle G—Other Housing Assistance for Native Americans

Sec. 781. Loan guarantees for Indian housing.

Sec. 782. 50-year leasehold interest in trust or restricted lands for housing purposes.

Sec. 783. Training and technical assistance.

Sec. 784. Effective date.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

Sec. 801. Short title; reference.

Sec. 802. Statement of purpose.

Sec. 803. Definitions.

Sec. 804. Federal manufactured home construction and safety standards.

Sec. 805. Abolishment of National Manufactured Home Advisory Council.

Sec. 806. Public information.

Sec. 807. Inspection fees.

Sec. 808. Elimination of annual report requirement.

Sec. 809. Effective date.

SEC. 2. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods.

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as "local housing and management authorities", and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) **DISABLED FAMILY.**—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) **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).

(3) **ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.**—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) **ELDERLY PERSON.**—The term "elderly person" means a person who is at least 62 years of age.

(5) **FAMILY.**—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(6) **INCOME.**—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(7) **LOCAL HOUSING AND MANAGEMENT AUTHORITY.**—The term "local housing and management authority" is defined in section 103.

(8) **LOCAL HOUSING MANAGEMENT PLAN.**—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for such fiscal year.

(9) **LOW-INCOME FAMILY.**—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(10) **LOW-INCOME HOUSING.**—The term "low-income housing" means dwellings that comply with the requirements—

(A) under subtitle B of title II for assistance under such title for the dwellings; or

(B) under title III for rental assistance payments under such title for the dwellings.

(11) **NEAR-ELDERLY PERSON.**—The term "near-elderly person" means a person who is at least 55 years of age.

(12) **PERSON WITH DISABILITIES.**—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act; or

(B) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title II of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(13) **PUBLIC HOUSING.**—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing or low-income dwelling units in mixed income housing (as provided in section 221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title II; or

(ii) was subject to an annual block grant contract under title II (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 222(a).

(14) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development.

(15) **STATE.**—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the

Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(16) **VERY LOW-INCOME FAMILY.**—The term "very low-income family" means a low-income family whose income does not exceed 50 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, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 103. ORGANIZATION OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES.

(a) **REQUIREMENTS.**—For purposes of this Act, the terms "local housing and management authority" and "authority" mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally designated housing entity, as such term is defined in section 704.

(b) **GOVERNANCE.**—

(1) **BOARD OF DIRECTORS.**—Each local housing and management authority shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title III.

(2) **RESIDENT MEMBERSHIP.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

(B) **EXCEPTIONS.**—The requirement in subparagraph (A) with respect to elected public housing resident members and resident members shall not apply to—

(i) any State or local governing body that serves as a local housing and management authority for purposes of this Act and whose responsibilities include substantial activities other than acting as the local housing and management authority, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a local housing and management authority for purposes of this Act;

(ii) any local housing and management authority that owns or operates less than 250 public housing dwelling units (including any au-

thority that does not own or operate public housing);

(iii) any local housing and management authority in a State in which State law specifically precludes public housing residents or assisted families from serving on the board of directors or other similar body of an authority; or

(iv) any local housing and management authority in a State that requires the members of the board of directors or other similar body of a local housing and management authority to be salaried and to serve on a full-time basis.

(3) **FULL PARTICIPATION.**—No local housing and management authority may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) **CONFLICTS OF INTEREST.**—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a local housing and management authority.

(5) **DEFINITIONS.**—For purposes of this subsection, the following definitions shall apply:

(A) **ELECTED PUBLIC HOUSING RESIDENT MEMBER.**—The term "elected public housing resident member" means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority; and

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) **RESIDENT MEMBER.**—The term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

(C) **ESTABLISHMENT OF POLICIES.**—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 107 to be included in the local housing management plan for a local housing and management authority shall be approved by the board of directors or similar governing body of the authority and shall be publicly available for review upon request.

SEC. 104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) **ADJUSTED INCOME.**—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the local housing and management authority.

(b) **MANDATORY EXCLUSIONS FROM INCOME.**—In determining adjusted income, a local housing and management authority shall exclude from the annual income of a family the following amounts:

(1) **ELDERLY AND DISABLED FAMILIES.**—\$400 for any elderly or disabled family.

(2) **MEDICAL EXPENSES.**—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) **CHILD CARE EXPENSES.**—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) **MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.**—\$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) **CHILD SUPPORT PAYMENTS.**—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed \$480 for each child for whom such payment is made.

(C) **PERMISSIVE EXCLUSIONS FROM INCOME.**—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) **EXCESSIVE TRAVEL EXPENSES.**—Excessive travel expenses in an amount not to exceed \$25 per family per week, for employment- or education-related travel.

(2) **EARNED INCOME.**—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) **OTHERS.**—Such other amounts for other purposes, as the local housing and management authority may establish.

(d) **MEDIAN INCOME.**—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.

(a) **INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.**—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a

rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) **INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.**—

(1) **IN GENERAL.**—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) **CONSIDERATION OF REHABILITATION.**—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) **OTHER SCREENING.**—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

(d) **LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.**—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENT.

(a) **REQUIREMENT.**—Except as provided in subsection (c), each local housing and management

authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult

member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) **TENANT SELF-SUFFICIENCY CONTRACT.**—

(1) **REQUIREMENT.**—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) **CONTRACT TERMS.**—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) **INCORPORATION INTO LEASE.**—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act. The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 111.

(4) **PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.**—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) **CHANGED CIRCUMSTANCES.**—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) **MODEL CONTRACTS.**—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

(c) **EXEMPTIONS.**—A local housing and management authority shall provide for the exemption, from the applicability of the requirements under subsections (a) and (b)(1), of each individual who is—

(1) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(2) a person with disabilities and unable (as so determined) to comply with the requirement;

(3) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(4) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) **IN GENERAL.**—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) **PROCEDURES.**—The Secretary shall establish requirements and procedures for submission and review of plans and for the contents of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the relevant jurisdiction and for concomitant review of such plans.

(c) **CONTENTS.**—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) **FINANCIAL RESOURCES.**—An operating budget for the authority that includes—

(A) a description of the financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under section 203 to be assisted, housing assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(C) an estimate of the market rent value of each public housing development of the authority.

(2) **POPULATION SERVED.**—A statement of the policies of the authority governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title III, including—

(A) the requirements for eligibility for such units and assistance and the method by which eligibility will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences established under section 223 or 321(e) and the criteria for selection under section 222(b) and (c);

(C) the procedures for assignment of families admitted to dwelling units owned, operated, or assisted by the authority;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title III, including conditions for continued occupancy, termination of tenancy, eviction, and termination of housing assistance under section 321(g);

(E) the criteria under subsection (f) of section 321 for providing and denying housing assistance under title III to families moving into the jurisdiction of the authority;

(F) the fair housing policy of the authority; and

(G) the procedures for outreach efforts (including efforts that are planned and that have been executed) to homeless families and to entities providing assistance to homeless families, in the jurisdiction of the authority.

(3) RENT DETERMINATION.—A statement of the policies of the authority governing rents charged for public housing dwelling units and rental contributions of assisted families under title III, including—

(A) the methods by which such rents are determined under section 225 and such contributions are determined under section 322;

(B) an analysis of how such methods affect—

(i) the ability of the authority to provide housing assistance for families having a broad range of incomes;

(ii) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(iii) the availability of other financial resources to the authority.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing maintenance and management of housing owned and operated by the authority, and management of the local housing and management authority, including—

(A) housing quality standards in effect pursuant to sections 232 and 328 and any certifications required under such sections;

(B) routine and preventative maintenance policies for public housing;

(C) emergency and disaster plans for public housing;

(D) rent collection and security policies for public housing;

(E) priorities and improvements for management of public housing; and

(F) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 111.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments; and

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations.

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title II;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 261(h) with respect to such demolition or disposition.

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 227 and any information required under section 227(d) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a description of any building or buildings that the authority is required under section 203(b) to convert to housing assistance

under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title II to be used for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under subtitle D of title II or section 329 for the authority and the requirements and assistance available under such programs.

(11) COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of how the authority will coordinate with State welfare agencies and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities to ensure that public housing residents and assisted families will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

(12) SAFETY AND CRIME PREVENTION.—A description of the policies established by the authority that increase or maintain the safety of public housing residents, facilitate the authority undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase public housing resident safety by coordinating crime prevention efforts between the authority and Federal, State, and local law enforcement officials. Furthermore, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing property.

(13) POLICIES FOR LOSS OF HOUSING ASSISTANCE.—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

(d) 5-YEAR PLAN.—Each local housing management plan under this section for a local housing and management authority shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the authority for serving the needs of low-income families in the jurisdiction of authority during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the authority that will enable the authority to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(e) CITIZEN PARTICIPATION.—

(1) IN GENERAL.—Before submitting a plan under this section or an amendment under section 108(f) to a plan, a local housing and management authority shall make the plan or amendment publicly available in a manner that affords affected public housing residents and assisted families under title III, citizens, public agencies, entities providing assistance and services for homeless families, and other interested parties an opportunity, for a period not shorter than 60 days and ending at a time that reasonably provides for compliance with the requirements of paragraph (2), to examine its content and to submit comments to the authority.

(2) CONSIDERATION OF COMMENTS.—A local housing and management authority shall consider any comments or views provided pursuant to paragraph (1) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be at-

tached to the plan, amendment, or report submitted. The submitted plan, amendment, or report shall be made publicly available upon submission.

(f) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(g) PLANS FOR SMALL LHMA'S AND LHMA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to authorities that only administer housing assistance under title III (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 108. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 107. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each local housing and management authority submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the local housing and management authority, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 107 and the authority shall be considered to have been notified of compliance upon the expiration of such 75-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 107 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

(d) **TREATMENT OF EXISTING PLANS.**—Notwithstanding any other provision of this title, a local housing and management authority shall be considered to have submitted a plan under this section if the authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1994. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 107.

(e) **ACTIONS TO CHANGE PLAN.**—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and review of the plan of the authority for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the authority submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the authority describes such changes in such local housing management plan for the next fiscal year.

(f) **AMENDMENTS TO PLAN.**—

(1) **IN GENERAL.**—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) **REVIEW.**—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 107 and notify each local housing and management authority submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the non-compliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(3) **STANDARDS FOR DETERMINATION OF NON-COMPLIANCE.**—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 107 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c); or

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) **AMENDMENTS TO EXTEND TIME OF PERFORMANCE.**—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities as-

sisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 109. REPORTING REQUIREMENTS.

(a) **PERFORMANCE AND EVALUATION REPORT.**—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) **REVIEW OF LHMA'S.**—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) **RECORDS.**—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

SEC. 110. PET OWNERSHIP.

(a) **IN GENERAL.**—Except as provided in subsections (b) and (c), a resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 371) may own common household pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

(b) **FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.**—Pet ownership in housing assisted under this Act that is federally assisted rental housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

(c) **ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.**—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

SEC. 111. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) **REQUIREMENTS.**—Each local housing and management authority receiving assistance under this Act shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse local housing and management authority action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the local housing and management authority) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the local housing and management authority on the proposed action.

(b) **EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING.**—A local housing and management authority shall exclude from its procedure established under subsection (a) any grievance concerning an eviction from or termination of tenancy in public housing in any State which requires that, prior to eviction, a resident be provided a hearing in court which the Secretary determines provides the basic elements of due process.

(c) **INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.**—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

SEC. 112. HEADQUARTERS RESERVE FUND.

(a) **ANNUAL RESERVATION OF AMOUNTS.**—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title II for any fiscal year for use in accordance with this section.

(b) **USE OF AMOUNTS.**—Any amounts that are retained under subsection (a) or appropriated or otherwise made available for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters;

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation;

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5) (A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed \$100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

SEC. 113. LABOR STANDARDS.

(a) **IN GENERAL.**—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) **OPERATION.**—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) **PRODUCTION.**—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) **EXCEPTIONS.**—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing, shall not apply to any of the following individuals:

(1) **VOLUNTEERS.**—Any individual who—
(A) performs services for which the individual volunteered;

(B)(i) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) **RESIDENTS EMPLOYED BY LHMA.**—Any resident of a public housing development who (A) is an employee of the local housing and management authority for the development, (B) performs services in connection with the operation of a low-income housing project owned or managed by such authority, and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority.

(3) **RESIDENTS IN TRAINING PROGRAMS.**—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) **DEFINITION.**—For purposes of this section, the terms "operation" and "production" have the meanings given the term in section 273.

SEC. 114. NONDISCRIMINATION.

(a) **IN GENERAL.**—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) **CIVIL RIGHTS COMPLIANCE.**—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 115. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to

carry out this Act, which are obligated to State or local governments, local housing and management authorities, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 116. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 117. EFFECTIVE DATE AND REGULATIONS.

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

(b) **REGULATIONS.**—The Secretary may issue any regulations necessary to carry out this Act.

(c) **RULE OF CONSTRUCTION.**—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

TITLE II—PUBLIC HOUSING**Subtitle A—Block Grants****SEC. 201. BLOCK GRANT CONTRACTS.**

(a) **IN GENERAL.**—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—
(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV;

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) **MODIFICATION.**—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—
(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) **CONDITIONS ON RENEWAL.**—Each block grant contract under this section shall provide,

as a condition of renewal of the contract with the local housing and management authority, that the authority's accreditation be renewed by the Housing Foundation and Accreditation Board pursuant to review under section 433 by such Board.

SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) **AUTHORITY.**—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 201.

(b) PERFORMANCE FUNDS.—

(1) **IN GENERAL.**—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) **CAPITAL FUND.**—A capital fund to provide capital and management improvements to public housing developments.

(B) **OPERATING FUND.**—An operating fund for public housing operations.

(2) **FLEXIBILITY OF FUNDING.**—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) **AMOUNT OF GRANTS.**—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

(d) **ELIGIBILITY.**—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) the authority is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(6) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony;

(7) the authority has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(8) the authority has not been disqualified for a grant pursuant to section 205(a) or subtitle B of title IV.

(e) **PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—**

(1) **EXEMPTION FROM TAXATION.**—A local housing and management authority may receive a block grant under this title only if—

(A)(i) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the local housing and management authority makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the authority, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;
 (II) agreed to by the local governing body in its agreement under subsection (e) for local cooperation with the local housing and management authority or under a waiver by the local governing body; or
 (III) due to failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or

(B) the authority complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(g) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority for the public housing of the ineligible authority.

SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used only for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A local housing and management authority that receives grant amounts under this title shall provide assistance in the form of rental housing assistance under title III, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

(2) USE OF OTHER AMOUNTS.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title III for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) ENFORCEMENT.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the local housing and management authority fails to take appropriate action under this subsection.

(4) FAILURE OF LHMA'S TO COMPLY WITH CONVERSION REQUIREMENT.—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(D) in the case of an authority receiving assistance pursuant to the formulas under section 204, any amounts provided to the authority which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a local housing and management authority (including any amendments to the plan), unless determined under section 108 not to comply with the requirements under section 107, shall be binding upon the Secretary and the local housing and management authority and the authority shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section

108(e) or any actions authorized by this Act to be taken without regard to a local housing management plan.

SEC. 204. DETERMINATION OF GRANT ALLOCATION.

(a) **IN GENERAL.**—For each fiscal year, after reserving amounts under section 112 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible local housing and management authorities in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) **ALLOCATION AMOUNT.**—The Secretary shall determine the amount of the allocation for each eligible local housing and management authority, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection (c), the amount determined under such formulas; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the authority; and

(B) the capital improvement allocation determined under subsection (d)(2) for the authority.

(c) **PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.**—

(1) **ESTABLISHMENT OF CAPITAL FUND FORMULA.**—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) **ESTABLISHMENT OF OPERATING FUND FORMULA.**—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents.

(3) **DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.**—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under sub-

chapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(4) **REPORT.**—Not later than the expiration of the 18-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (3) that meets the requirements of this subsection.

(d) **INTERIM ALLOCATION REQUIREMENTS.**—

(1) **OPERATING ALLOCATION.**—

(A) **APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.**—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) **DETERMINATION.**—The operating allocation under this subsection for a local housing and management authority for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1995 to public housing agencies (as modified under subparagraph (C)) under section 9 of the United States Housing Act of 1937, as in effect before the enactment of this Act.

(C) **TREATMENT OF CHRONICALLY VACANT UNITS.**—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(D) **INCREASES IN INCOME.**—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

(2) **CAPITAL IMPROVEMENT ALLOCATION.**—

(A) **APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.**—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) **DETERMINATION.**—The capital improvement allocation under this subsection for an eligible local housing and management authority for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1995 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect before the enactment of this Act, except that Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) **ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.**—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in ac-

cordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

SEC. 205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) **IN GENERAL.**—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an annual financial and performance audit under section 432 that a local housing and management authority receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the authority;

(2) withhold from the authority amounts from the total allocation for the authority pursuant to section 204;

(3) reduce the amount of future grant payments under this title to the authority by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the authority under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the authority amounts allocated for the authority under title III; or

(6) order other corrective action with respect to the authority.

(b) **TERMINATION OF COMPLIANCE ACTION.**—If the Secretary takes action under subsection (a) with respect to a local housing and management authority, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time that the Secretary first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOW-INCOME HOUSING REQUIREMENT.

(a) **PRODUCTION ASSISTANCE.**—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) **OPERATING ASSISTANCE.**—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) **CAPITAL IMPROVEMENTS ASSISTANCE.**—Amounts may be used for eligible activities under section 203(a)(2) only for the following housing developments:

(1) **LOW-INCOME DEVELOPMENTS.**—Amounts may be used for a low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 203(a)(2) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) **MIXED INCOME DEVELOPMENTS.**—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—
(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the local housing and management authority;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the local housing and management authority, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a local housing and management authority that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 222. FAMILY ELIGIBILITY.

(a) **IN GENERAL.**—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) **INCOME MIX WITHIN DEVELOPMENTS.**—A local housing and management authority may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development is proportional to the income mix in the eligible population of the jurisdiction of the authority, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) **INCOME MIX.**—

(1) **LHMA INCOME MIX.**—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act not less than 35 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(2) **PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.**—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

(d) **WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.**—

(1) **AUTHORITY AND WAIVER.**—To provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a local housing and management authority may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 225(a);

(ii) the applicability of—

(I) any preferences for occupancy established under section 223;

(II) the minimum rental amount established pursuant to section 225(b) and any maximum monthly rental amount established pursuant to such section;

(III) any criteria relating to project income mix established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) **CONDITIONS OF WAIVER.**—A local housing and management authority may take the actions authorized in paragraph (1) only if authority determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

(e) **LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.**—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

SEC. 223. PREFERENCES FOR OCCUPANCY.

(a) **AUTHORITY TO ESTABLISH.**—Any local housing and management authority may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) **CONTENT.**—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

SEC. 224. ADMISSION PROCEDURES.

(a) **ADMISSION REQUIREMENTS.**—A local housing and management authority shall ensure that each family residing in a public housing development owned or administered by the authority is admitted in accordance with the procedures established under this title by the authority and the income limits under section 222.

(b) **AVAILABILITY OF CRIMINAL RECORDS.**—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

(c) **NOTIFICATION OF APPLICATION DECISIONS.**—A local housing and management authority shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an authority denies an applicant admission to public housing, the authority shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(d) **CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.**—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) **TRANSFERS.**—A local housing and management authority may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the authority, the screening procedures applicable at such time to new applicants for public housing.

SEC. 225. FAMILY RENTAL PAYMENT.

(a) **RENTAL CONTRIBUTION BY RESIDENT.**—

(1) **IN GENERAL.**—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection

(b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

- (i) is an elderly family; or
- (ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than \$25, nor more than \$50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(2) MAXIMUM RENTAL.—Each local housing and management authority may establish, for each dwelling unit in public housing owned or administered by the authority, a maximum monthly rental amount, which shall be an amount determined by the authority which is based on, but does not exceed—

(A) the average, for dwelling units of similar size in public housing developments owned and operated by such authority, of operating expenses attributable to such units;

(B) the reasonable rental value of the unit; or

(C) the local market rent for comparable units of similar size.

(c) INCOME REVIEWS.—If a local housing and management authority establishes the amount of rent paid by a family for a public housing dwelling unit based on the adjusted income of the family, the authority shall review the incomes of such family occupying dwelling units in public housing owned or administered by the authority not less than annually.

(d) REVIEW OF MAXIMUM AND MINIMUM RENTS.—

(1) RENTAL CHARGES.—If the Secretary determines, at any time, that a significant percentage of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(2) POPULATION SERVED.—If the Secretary determines, at any time, that less than 40 percent of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households whose incomes do not exceed 30 percent of the area median income, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(3) MODIFICATION OF MAXIMUM AND MINIMUM RENTAL AMOUNTS.—If, pursuant to review under this subsection, the Secretary determines that the maximum and minimum rental amounts for a large local housing and management authority are not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration the financial resources and costs of the authority), as identified in the approved local housing management plan of the authority, the Secretary may require the authority to modify the maximum and minimum monthly rental amounts.

(4) LARGE LHMA.—For purposes of this subsection, the term "large local housing and management authority" means a local housing and management authority that owns or operates 1250 or more public housing dwelling units.

(e) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the date of the enactment of this Act, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1)(A) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to maintain the development in compliance with the housing quality requirements under section 232;

(3) require the local housing and management authority to give adequate written notice of ter-

mination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or local housing and management authority employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the local housing and management authority may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises;

(6) provide that any occupancy in violation of the provisions of section 105 shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) **RELOCATION ASSISTANCE.**—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) **REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.**—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) **EFFECTIVENESS.**—

(1) **Initial 5-year effectiveness.**—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) **RENEWAL.**—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) **TREATMENT OF EXISTING PLANS.**—Notwithstanding any other provision of this section, a

local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) **TRANSITION PROVISION.**—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) **INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.**—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) **USE OF AMOUNTS.**—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104-120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Subtitle C—Management

SEC. 231. MANAGEMENT PROCEDURES.

(a) **SOUND MANAGEMENT.**—A local housing and management authority that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.

(b) **ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.**—

(1) **ESTABLISHMENT.**—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) **ACCESS TO RECORDS.**—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) **EXEMPTION.**—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

(c) **MANAGEMENT BY OTHER ENTITIES.**—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.

(a) **IN GENERAL.**—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in

paragraph (1), with the housing quality standards established under subsection (b).

(b) **FEDERAL HOUSING QUALITY STANDARDS.**—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 328(b). The Secretary shall differentiate between major and minor violations of such standards.

(c) **DETERMINATIONS.**—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan of the authority, whether the authority is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) **ANNUAL INSPECTIONS.**—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) **RESIDENT COUNCILS.**—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and

coordination and consultation with a local housing and management authority. A resident council shall be an organization or association that—

- (1) is nonprofit in character;
- (2) is representative of the residents of the eligible housing;
- (3) adopts written procedures providing for the election of officers on a regular basis; and
- (4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) **RESIDENT MANAGEMENT CORPORATIONS.**—

(1) **ESTABLISHMENT.**—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 235 or purchasing a development.

(2) **REQUIREMENTS.**—A resident management corporation shall be a corporation that—

- (A) is nonprofit in character;
- (B) is organized under the laws of the State in which the development is located;
- (C) has as its sole voting members the residents of the development; and
- (D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) **AUTHORITY.**—A local housing and management authority may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) **CONTRACT.**—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the local housing and management authority. The contract shall be consistent with the requirements of this Act applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) **BONDING AND INSURANCE.**—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) **BLOCK GRANT ASSISTANCE AND INCOME.**—A contract under this section shall provide for—

- (1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;
- (2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);
- (3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 203(a).

(e) **CALCULATION OF TOTAL INCOME.**—

(1) **MAINTENANCE OF SUPPORT.**—Subject to paragraph (2), the amount of assistance provided by a local housing and management authority to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) **REDUCTIONS AND INCREASES IN SUPPORT.**—If the total income of a local housing and management authority is reduced or increased, the income provided by the local housing and management authority to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the authority, except that any reduction in block grant amounts under this title to the authority that occurs as a result of fraud, waste, or mismanagement by the authority shall not affect the amount provided to the resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) **AUTHORITY.**—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

- (1) such housing is owned or operated by a local housing and management authority that is—
 - (A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or
 - (B) designated as a troubled authority under section 431(a)(2); and

(2) the Secretary determines that—

- (A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;
- (B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;
- (C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and
- (D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) **BLOCK GRANT ASSISTANCE.**—Pursuant to a contract under subsection (c), the Secretary shall require the local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for

the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing management plan of such authority.

(c) **CONTRACT BETWEEN SECRETARY AND MANAGER.**—

(1) **REQUIREMENTS.**—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) **TERMS.**—A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) **COMPLIANCE WITH LOCAL HOUSING MANAGEMENT PLAN.**—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority from which management was transferred as may be necessary for such authority to prepare and update its local housing management plan.

(e) **DEMOLITION AND DISPOSITION BY MANAGER.**—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the authority transferring management of the housing.

(f) **LIMITATION ON LHMA LIABILITY.**—A local housing and management authority that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) **TREATMENT OF MANAGER.**—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this Act, a manager of specified housing under this section shall be considered to be a local housing and management authority for purposes of this title.

(h) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **ELIGIBLE MANAGEMENT ENTITY.**—The term "eligible management entity" means, with respect to any public housing development, any of the following entities that has been accredited in accordance with section 433:

(A) **NONPROFIT ORGANIZATION.**—A public or private nonprofit organization, which shall—

- (i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the local housing and management authority that owns the development; and
- (ii) not include the local housing and management authority that owns the development.

(B) **FOR-PROFIT ENTITY.**—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) **STATE OR LOCAL GOVERNMENT.**—A State or local government, including an agency or instrumentality thereof.

(D) **LOCAL HOUSING AND MANAGEMENT AUTHORITY.**—A local housing and management authority (other than the local housing and management authority that owns the development). The term does not include a resident council.

(2) **MANAGER.**—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) **NONPROFIT.**—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) **PRIVATE NONPROFIT ORGANIZATION.**—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

- (A) is incorporated under State or local law;
- (B) is nonprofit in character;
- (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.

(5) **LOCAL HOUSING AND MANAGEMENT AUTHORITY.**—The term "local housing and management authority" has the meaning given such term in section 103(a).

(6) **PUBLIC NONPROFIT ORGANIZATION.**—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) **SPECIFIED HOUSING.**—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 237. RESIDENT OPPORTUNITY PROGRAM.

(a) **PURPOSE.**—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

- (1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and
- (2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) **PROGRAM REQUIREMENTS.**—

(1) **RESIDENT COUNCIL.**—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) **PUBLIC HOUSING MANAGEMENT SPECIALIST.**—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) **MANAGEMENT RESPONSIBILITIES.**—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the authority establishing the respective management rights and responsibilities of the corporation and the authority. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 234 for such contracts.

(4) **ANNUAL AUDIT.**—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(c) **COMPREHENSIVE IMPROVEMENT ASSISTANCE.**—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) **WAIVER OF FEDERAL REQUIREMENTS.**—

(1) **WAIVER OF REGULATORY REQUIREMENTS.**—Upon the request of any resident management corporation and local housing and management authority, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the local housing and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) **WAIVER TO PERMIT EMPLOYMENT.**—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) **EXCEPTIONS.**—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 222, rental payments under section 225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) **OPERATING ASSISTANCE AND DEVELOPMENT INCOME.**—

(1) **CALCULATION OF OPERATING SUBSIDY.**—Subject only to the exception provided in paragraph (3), the grant amounts received under this title by a local housing and management authority used for operating costs under section 203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the local housing and management authority in the previous year, as determined on an individual development basis.

(2) **CONTRACT REQUIREMENTS.**—Any contract for management of a public housing development entered into by a local housing and management authority and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the authority (such as operating assistance under section 203(a), interest income, administrative fees, and rents).

(f) **RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.**—

(1) **FINANCIAL ASSISTANCE.**—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) **LIMITATION ON ASSISTANCE.**—The financial assistance provided under this subsection with respect to any public housing development may not exceed \$100,000.

(3) **PROHIBITION.**—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) **FUNDING.**—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection \$15,000,000 for fiscal year 1996.

(5) **LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.**—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(6) **TECHNICAL ASSISTANCE AND CLEARINGHOUSE.**—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information, in connection with activities under this subsection.

(g) **ASSESSMENT AND REPORT BY SECRETARY.**—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) **APPLICABILITY.**—Any management contract between a local housing and management authority and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership**SEC. 251. RESIDENT HOMEOWNERSHIP PROGRAMS.**

(a) **IN GENERAL.**—A local housing and management authority may carry out a homeownership program in accordance with this section and the local housing management plan of the authority to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

(b) **PARTICIPATING UNITS.**—A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the local housing and management authority.

(c) ELIGIBLE PURCHASERS.

(1) **LOW-INCOME REQUIREMENT.**—Only low-income families assisted by a local housing and management authority, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) **OTHER REQUIREMENTS.**—A local housing and management authority may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) **FINANCING AND ASSISTANCE.**—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the local housing and management authority for sale under this program in any manner considered appropriate by the authority (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.

(1) **IN GENERAL.**—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the local housing and management authority. Except as provided in paragraph (2), the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) **DIRECT FAMILY CONTRIBUTION.**—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) **OWNERSHIP INTERESTS.**—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the local housing and management

authority considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a local housing and management authority providing financing.

(g) RESALE.

(1) **AUTHORITY AND LIMITATION.**—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the authority considers appropriate (whether the family purchases directly from the authority or from another entity) for the authority to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the authority to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the authority to the purchaser.

(2) **CONSIDERATIONS.**—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the authority considers appropriate.

(h) **INAPPLICABILITY OF DISPOSITION REQUIREMENTS.**—The provisions of section 261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments**SEC. 261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.**

(a) **AUTHORITY AND FLEXIBILITY.**—A local housing and management authority may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the authority in accordance with this section.

(b) **LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.**—A local housing and management authority may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the authority. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) **PURPOSE OF DEMOLITION OR DISPOSITION.**—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the local housing and management authority;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the local housing and management authority because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the local housing and management authority;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the authority determines are consistent with the best interests of the residents and the authority and not inconsistent with other provisions of this Act;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

(d) **CONSULTATION.**—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) **USE OF PROCEEDS.**—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title III for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the local housing and management authority, appropriate to serve the needs of the residents.

(f) **RELOCATION.**—A local housing and management authority that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice or is provided with choice-based assistance under title III;

(2) the local housing and management authority does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does

not exceed the amount permitted under section 225(a).

(g) RIGHT OF FIRST REFUSAL FOR RESIDENT ORGANIZATIONS AND RESIDENT MANAGEMENT CORPORATIONS.—

(1) **IN GENERAL.**—A local housing and management authority may not dispose of a public housing development (or portion of a development) unless the authority has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) **TIMING.**—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the authority of interest in purchasing the property, which shall be the 30-day period beginning on the date that the authority first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the authority of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the authority to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The authority shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) **TERMS OF OFFER.**—An offer by a local housing and management authority to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the authority considers appropriate.

(h) **INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.**—A local housing and management authority may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (e);

(5) how the authority will relocate residents, if necessary, as required under subsection (f); and

(6) that the authority has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (g).

(i) **SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.**—Notwithstanding any other provision of law, a local housing and management authority may provide for development of public housing dwelling units on the same site or in the

same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(j) **TREATMENT OF REPLACEMENT UNITS.**—In connection with any demolition or disposition of public housing under this section, a local housing and management authority may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(1) the provision of choice-based assistance under title III; and

(2) the development, acquisition, or lease by the authority of dwelling units, which dwelling units shall—

(A) be eligible to receive assistance with grant amounts provided under this title; and

(B) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(k) **PERMISSIBLE RELOCATION WITHOUT PLAN.**—If a local housing and management authority determines that public housing dwelling units are not clean, safe, and healthy or cannot be maintained cost-effectively in a clean, safe, and healthy condition, the local housing and management authority may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(l) **CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.**—Nothing in this section may be construed to prevent a local housing and management authority from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(m) **DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.**—Notwithstanding any other provision of this section, in any 5-year period a local housing and management authority may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the local housing and management authority, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) **PURPOSES.**—The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood; and

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title III for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) **GRANT AUTHORITY.**—The Secretary may make grants available to local housing and management authorities as provided in this section.

(c) **CONTRIBUTION REQUIREMENT.**—The Secretary may not make any grant under this sec-

tion to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) **ELIGIBLE ACTIVITIES.**—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title III;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) **APPLICATION AND SELECTION.**—

(1) **APPLICATION.**—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) **SELECTION CRITERIA.**—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(f) **COST LIMITS.**—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) **DEMOLITION AND REPLACEMENT.**—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) **ADMINISTRATION BY OTHER ENTITIES.**—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(j) **WITHDRAWAL OF FUNDING.**—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(k) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

(1) **APPLICANT.**—The term "applicant" means—

(A) any local housing and management authority that is not designated as troubled or dysfunctional pursuant to section 431(a)(2);

(B) any local housing and management authority or private housing management agent selected, or receiver appointed pursuant, to section 438; and

(C) any local housing and management authority that is designated as troubled pursuant to section 431(a)(2)(D) that—

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) **PRIVATE NONPROFIT CORPORATION.**—The term "private nonprofit organization" means any private nonprofit 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 very low-income families.

(3) **SEVERELY DISTRESSED PUBLIC HOUSING.**—The term "severely distressed public housing" means a public housing development (or building in a development)—

(A) that requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public

and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) **SUPPORTIVE SERVICES.**—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(1) **ANNUAL REPORT.**—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) **FUNDING.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for grants under this section \$480,000,000 for each of fiscal years 1996, 1997, and 1998.

(2) **TECHNICAL ASSISTANCE.**—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of local housing and management authorities, and of residents.

(n) **SUNSET.**—No assistance may be provided under this section after September 30, 1998.

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) **IN GENERAL.**—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) **ASSESSMENT AND PLAN REQUIREMENT.**—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) **STREAMLINED ASSESSMENT AND PLAN.**—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) **IMPLEMENTATION OF CONVERSION PLAN.**—

(1) **IN GENERAL.**—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) **DISAPPROVAL.**—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) **OTHER REQUIREMENTS.**—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) **SAVINGS PROVISION.**—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Subtitle F—General Provisions

SEC. 271. CONVERSION TO BLOCK GRANT ASSISTANCE.

(a) **SAVINGS PROVISIONS.**—Any amounts made available to a public housing agency for assistance for public housing pursuant to the United States Housing Act of 1937 (or any other provision of law relating to assistance for public housing) under an appropriation for fiscal year 1996 or any previous fiscal year shall be subject to the provisions of such Act as in effect before the enactment of this Act, notwithstanding the repeals made by this Act, except to the extent the Secretary provides otherwise to provide for the conversion of public housing and public housing assistance to the system provided under this Act.

(b) **MODIFICATIONS.**—Notwithstanding any provision of this Act or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the enactment of this Act), the Secretary and the agency may by mutual consent amend, supersede, modify any such agreement as appropriate to provide for assistance under this title, except

that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

SEC. 272. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 273. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) **ACQUISITION COST.**—The term "acquisition cost" means the amount prudently expended by a local housing and management authority in acquiring property for a public housing development.

(2) **DEVELOPMENT.**—The terms "public housing development" and "development" mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) **ELIGIBLE LOCAL HOUSING AND MANAGEMENT AUTHORITY.**—The term "eligible local housing and management authority" means, with respect to a fiscal year, a local housing and management authority that is eligible under section 202(d) for a grant under this title.

(4) **GROUP HOME AND INDEPENDENT LIVING FACILITY.**—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(5) **OPERATION.**—The term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(6) **PRODUCTION.**—The term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(7) **PRODUCTION COST.**—The term "production cost" means the costs incurred by a local housing and management authority for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(8) **RESIDENT COUNCIL.**—The term "resident council" means an organization or association that meets the requirements of section 234(a).

(9) **RESIDENT MANAGEMENT CORPORATION.**—The term "resident management corporation" means a corporation that meets the requirements of section 234(b).

(10) **RESIDENT PROGRAM.**—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term includes (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and

similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) **CAPITAL FUND.**—For the allocations from the capital fund for grants, \$2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) **OPERATING FUND.**—For the allocations from the operating fund for grants, \$2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

SEC. 275. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION SAFE HOME.

There is authorized to be appropriated, for assistance for relocating residents of public housing under the operation safe home program of the Department of Housing and Urban Development (including assistance for costs of relocation and housing assistance under title III), \$700,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. The Secretary shall provide that families who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family, shall be eligible for assistance under the operation safe home program.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with local housing and management authorities for each fiscal year to provide housing assistance under this title.

SEC. 302. CONTRACTS WITH LHMA'S.

(a) **CONDITION OF ASSISTANCE.**—The Secretary may provide amounts under this title to a local housing and management authority for a fiscal year only if the Secretary has entered into a contract under this section with the local housing and management authority, under which the Secretary shall provide such authority with amounts (in the amount of the allocation for the authority determined pursuant to section 304) for housing assistance under this title for low-income families.

(b) **USE FOR HOUSING ASSISTANCE.**—A contract under this section shall require a local housing and management authority to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) **ANNUAL OBLIGATION OF AUTHORITY.**—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) **ENFORCEMENT OF HOUSING QUALITY REQUIREMENTS.**—Each contract under this section shall require the local housing and management authority administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 351(c)(4); and

(2) to establish procedures for assisted families to notify the authority of any noncompliance with such provisions.

SEC. 303. ELIGIBILITY OF LHMA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 304(a) to a local housing and management authority only if—

(1) the authority has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(3) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(4) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony; and

(5) the authority has not been disqualified for assistance pursuant to subtitle B of title IV.

SEC. 304. ALLOCATION OF AMOUNTS.

(a) FORMULA ALLOCATION.—

(1) **IN GENERAL.**—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), and section 112, the Secretary shall allocate such amounts, only among local housing and management authorities meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the local housing and management authorities that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) **REGULATIONS.**—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) ALLOCATION CONSIDERATIONS.—

(1) **LIMITATION ON REALLOCATION FOR ANOTHER STATE.**—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) **EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.**—The Secretary may not consider the receipt by a local housing and management authority of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the authority or in determining the amount of such assistance to be provided to the authority.

(3) **EXEMPTION FROM FORMULA ALLOCATION.**—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including funding for the headquarters reserve fund under section 112, amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) **RECAPTURE OF AMOUNTS.**—

(1) **AUTHORITY.**—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that is obligated to a local housing and management authority but remains unobligated by the authority upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the authority, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) **USE.**—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to local housing and management authorities in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 305. ADMINISTRATIVE FEES.

(a) **FEE FOR ONGOING COSTS OF ADMINISTRATION.**—

(1) **IN GENERAL.**—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) **FISCAL YEAR 1996.**—

(A) **CALCULATION.**—For fiscal year 1996, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a local housing and management authority that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an authority that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) **BASE AMOUNT.**—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the authority, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect

the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) **SUBSEQUENT FISCAL YEARS.**—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for local housing and management authorities administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) **INCREASE.**—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) **FEE FOR PRELIMINARY EXPENSES.**—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of \$500, for a local housing and management authority, but only in the first year that the authority administers a choice-based housing assistance program under this title, and only if, immediately before the date of the enactment of this Act, the authority was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such date of enactment), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) **TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.**—

(1) **IN GENERAL.**—In each fiscal year, if any local housing and management authority provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such authority but is also within the jurisdiction of another local housing and management authority, the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) **IN GENERAL.**—There is authorized to be appropriated for providing local housing and management authorities with housing assistance under this title, \$1,861,663,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) **ASSISTANCE FOR DISABLED FAMILIES.**—

(1) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), \$50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) **USE.**—The Secretary shall provide amounts made available under paragraph (1) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(3) **ALLOCATION OF AMOUNTS.**—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and

management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

SEC. 307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) **IN GENERAL.**—Any amounts made available to a local housing and management authority under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that have not been obligated for such assistance by such authority before such enactment shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) **EXCEPTION.**—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) **LOW-INCOME REQUIREMENT.**—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the local housing and management authority to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) **INCOME TARGETING.**—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) **INCOME TARGETING.**—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(d) **REVIEWS OF FAMILY INCOMES.**—

(1) **IN GENERAL.**—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) **PROCEDURES.**—Each local housing and management authority administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the authority and owners by families applying for or receiving housing assistance from the authority is complete and accurate.

(e) **PREFERENCES FOR ASSISTANCE.**—

(1) **AUTHORITY TO ESTABLISH.**—Any local housing and management authority that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) **CONTENT.**—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

(f) **PORTABILITY OF HOUSING ASSISTANCE.**—

(1) **NATIONAL PORTABILITY.**—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) **SOURCE OF FUNDING FOR A FAMILY THAT MOVES.**—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) **AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.**—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) **FUNDING ALLOCATIONS.**—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

(g) **LOSS OF ASSISTANCE UPON TERMINATION OF TENANCY.**—A local housing and management authority shall, consistent with the policies described in the local housing management plan of the authority, establish policies providing that an assisted family whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued housing assistance; and

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

(h) **CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.**—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention

and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(i) **DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.**—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) **AVAILABILITY OF CRIMINAL RECORDS.**—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

SEC. 322. RESIDENT CONTRIBUTION.

(a) **AMOUNT.**—

(1) **IN GENERAL.**—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (d).

(2) **EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.**—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) **EXCESS RENTAL AMOUNT.**—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) **LIMITATION.**—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

(c) **LIMITATION.**—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located

in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

(d) **MINIMUM MONTHLY RENTAL CONTRIBUTION.**—

(1) **IN GENERAL.**—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than \$25, nor more than \$50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) **HARDSHIP EXCEPTION.**—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(e) **TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.**—

(1) **NOTIFICATION OF CHANGES.**—A local housing and management authority shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) **COLLECTION OF RETROACTIVE CHANGES.**—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the local housing and management authority shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(f) **PHASE-IN OF RENT CONTRIBUTION INCREASES.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) **EXCEPTION.**—The minimum rent contribution requirement under subsection (d)(1)(B) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 323. RENTAL INDICATORS.

(a) **IN GENERAL.**—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible

dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in section 325; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 325. TERMINATION OF TENANCY.

(a) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each housing assistance payments contract under section 351 shall provide that the owner of any assisted dwelling unit assisted under the contract may, before expiration of a lease for a unit, terminate the tenancy of any tenant of the unit, but only for—

(1) violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; or

(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises.

(b) MANNER OF TERMINATION.—Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or local housing and management authority.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the local housing and management authority to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) with applicable State or local laws, regulations, standards, or codes regarding habitability of residential dwellings that—

(i) are in effect for the jurisdiction in which the dwelling unit is located;

(ii) provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b); and

(iii) that do not severely restrict housing choice; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each local housing and management authority providing housing assistance shall identify, in the local housing management plan for the au-

thority, whether the authority is utilizing the standard under subparagraph (A) or (B) of paragraph (2) and, if the authority utilizes the standard under subparagraph (A), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such subparagraph.

(b) DETERMINATIONS.—

(1) IN GENERAL.—A local housing and management authority shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of local housing and management authorities and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A local housing and management authority providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A local housing and management authority providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the authority; and

(2) meet any other initial or continuing requirements established by the local housing and management authority.

(c) DOWNPAYMENT REQUIREMENT.—

(1) **IN GENERAL.**—A local housing and management authority may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the authority establishes a minimum downpayment requirement, except as provided in paragraph (2) the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) **DIRECT FAMILY CONTRIBUTION.**—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) **INELIGIBILITY UNDER OTHER PROGRAMS.**—A family may not receive homeownership assistance pursuant to this section 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.

SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) **AUTHORITY.**—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) **ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—**

(1) **AUTHORITY.**—Notwithstanding section 351 or any other provision of this title, a local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) **LIMITATIONS.**—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) **IN GENERAL.**—Each local housing and management authority that receives amounts under a contract under section 302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) **LHMA ACTING AS OWNER.**—A local housing and management authority may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the authority shall be subject to the same requirements that are applicable to other owners, except that the determinations under section 328(a) and 354(b) shall be made by a competent party not affiliated with the authority, and the authority shall be responsible for any expenses of such determinations.

(c) **PROVISIONS.**—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 324;

(3) comply with the requirements of section 325 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) **UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.**—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1);

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of the resident contribution determined in accordance with section 322(a)(1) or 30 percent of the family's adjusted monthly income;

(3) in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income; or

(4) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income.

(b) **SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.**—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard es-

tablished under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) **AMOUNT OF MONTHLY ASSISTANCE PAYMENT.**—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) **ESCROW OF SHOPPING INCENTIVE SAVINGS.**—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) **DEFICIT REDUCTION.**—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 353. PAYMENT STANDARDS.

(a) **ESTABLISHMENT.**—Each local housing and management authority providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) **USE OF RENTAL INDICATORS.**—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 323 for such size and type for such area.

(c) **REVIEW.**—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a local housing and management authority and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the authority for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the authority, the Secretary may require the local housing and management authority to modify the payment standard.

SEC. 354. REASONABLE RENTS.

(a) **ESTABLISHMENT.**—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) **REASONABLENESS.—**

(1) **DETERMINATION.**—A local housing and management authority providing rental assistance under this title for a dwelling unit shall,

before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) **UNREASONABLE RENTS.**—If the authority determines that the rent charged for a dwelling unit exceeds such comparable rents, the authority shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 371. DEFINITIONS.

For purposes of this title:

(1) **ASSISTED DWELLING UNIT.**—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) **ASSISTED FAMILY.**—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) **CHOICE-BASED.**—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) **ELIGIBLE DWELLING UNIT.**—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 328 for consideration as an eligible dwelling unit.

(5) **ELIGIBLE FAMILY.**—The term "eligible family" means a family that meets the requirements under section 321(a) for assistance under this title.

(6) **HOMEOWNERSHIP ASSISTANCE.**—The term "homeownership assistance" means housing assistance provided under section 329 for the ownership of a dwelling unit.

(7) **HOUSING ASSISTANCE.**—The term "housing assistance" means assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) **HOUSING ASSISTANCE PAYMENTS CONTRACT.**—The term "housing assistance payments contract" means a contract under section 351 between a local housing and management authority (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) **LOCAL HOUSING AND MANAGEMENT AUTHORITY.**—The terms "local housing and management authority" and "authority" have the meaning given such terms in section 103, except that the terms include—

(A) a consortia of local housing and management authorities that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the date of the enactment of this Act, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no local housing and management authority has been

organized or where the Secretary determines that a local housing and management authority is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of local housing and management authority under this title; or

(ii) notwithstanding any provision of State or local law, a local housing and management authority for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) **OWNER.**—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) **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.

(12) **RENTAL ASSISTANCE.**—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) **AUTHORITY TO RETAIN RECOVERED AMOUNTS.**—The Secretary shall permit local housing and management authorities administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) **USE.**—Amounts retained by an authority shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) **RECOVERY.**—Amounts may be recovered under this section—

(1) by an authority through a lawsuit (including settlement of the lawsuit) brought by the authority or through court-ordered restitution pursuant to a criminal proceeding resulting from an authority's investigation where the authority seeks prosecution of a family or where an authority seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 111; or

(3) through an agreement between the parties.

SEC. 373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) **IN GENERAL.**—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted

households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) **CONCENTRATION.**—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

SEC. 401. ESTABLISHMENT.

There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

SEC. 402. MEMBERSHIP.

(a) **IN GENERAL.**—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the enactment of this Act, as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) **QUALIFICATIONS.**—

(1) **REQUIRED REPRESENTATION.**—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title III of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(B) at least 2, but not more than 4 members who are executive directors of local housing and management authorities.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) **REQUIRED EXPERIENCE.**—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) **POLITICAL AFFILIATION.**—Not more than 6 members of the Board may be of the same political party.

(d) **TERMS.**—

(1) **IN GENERAL.**—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) **TERMS OF INITIAL APPOINTEES.**—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years;

(3) **VACANCIES.**—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) **CHAIRPERSON.**—The Board shall elect a chairperson from among members of the Board.

(f) **QUORUM.**—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) **VOTING.**—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) **PROHIBITION ON ADDITIONAL PAY.**—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 403. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out the following functions:

(1) **EVALUATION OF DEEP SUBSIDY PROGRAMS.**—Measuring the performance and efficiency of all "deep subsidy" programs for housing assistance administered by the Secretary of Housing and Urban Development, including the public housing program under title II and the programs for tenant- and project-based rental assistance under title III and section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(2) **ESTABLISHMENT OF LHMA PERFORMANCE BENCHMARKS.**—Establishing standards and guidelines under section 431 for use by the Secretary in measuring the performance and efficiency of local housing and management authorities and other owners and providers of federally assisted housing in carrying out operational and financial functions.

(3) **IMPROVEMENT OF INDEPENDENT AUDITS.**—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

(4) **ACCREDITATION OF LHMA'S.**—Establishing a procedure under section 431(b) for accrediting local housing and management authorities to receive block grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432 are conducted annually for each local housing and manage-

ment authority, and reviewing such audits for purposes of accreditation.

(5) **CLASSIFICATION OF LHMA'S.**—Classifying local housing and management authorities, under to section 434, according to the performance categories under section 431(a)(2).

SEC. 404. INITIAL ESTABLISHMENT OF STANDARDS AND PROCEDURES FOR LHMA COMPLIANCE.

(a) **DEADLINE.**—Not later than the expiration of the 12-month period beginning upon the completion of the appointment, under section 402, of the initial members of the Board, the Board shall organize its structure and operations, establish the standards, guidelines, and procedures under sections 431, and establish any fees under section 406. Before issuing such standards, guidelines, and procedures in final form, the Board shall submit a copy to the Congress.

(b) **PRIORITY OF INITIAL EVALUATIONS.**—After organization of the Board and establishment of standards, guidelines, and procedures under sections 431, the Board shall commence evaluations under section 433(b) for the purpose of accrediting local housing and management authorities and shall give priority to conducting evaluations of local housing and management authorities that are designated as troubled public housing agencies under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) pursuant to section 431(d).

(c) **ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.**—

(1) **IN GENERAL.**—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a). Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) **ASSISTANCE.**—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

SEC. 405. POWERS.

(a) **HEARINGS.**—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) **RULES AND REGULATIONS.**—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) **ASSISTANCE FROM FEDERAL AGENCIES.**—

(1) **INFORMATION.**—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including local housing management plans submitted to the Secretary by local housing and management authorities under title II. Upon request of the Board, any such department or agency shall furnish such information. The Board may acquire information directly from local housing and management authorities to the same extent the Secretary may acquire such information.

(2) **GENERAL SERVICES ADMINISTRATION.**—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) **HUD INSPECTOR GENERAL.**—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) **MAILS.**—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) **CONTRACTING.**—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys necessary to enable the Board to discharge its functions under this subtitle, and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title.

(f) **STAFF.**—

(1) **EXECUTIVE DIRECTOR.**—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) **OTHER PERSONNEL.**—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, 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. Such personnel may include personnel for assessment teams under section 431(b).

SEC. 406. FEES.

(a) **ACCREDITATION FEES.**—The Board may establish and charge fees for the accreditation of local housing and management authorities as the Board considers necessary to cover the costs of the operations of the Board relating to establishing standards, guidelines, and procedures for evaluating the performance of local housing and management authorities, performing comprehensive reviews relating to the accreditation of such authorities, and conducting audits of authorities under section 432.

(b) **FUND.**—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 407. REPORTS.

(a) **REPORT ON COORDINATION WITH HUD FUNCTIONS.**—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a

result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board and should be performed by the Board, and those that should continue to be performed by the Department.

(b) ANNUAL REPORTS.—The Board shall submit a report to the Congress annually describing, for the year for which the report is made—

(1) any modifications made by the Board to the standards, guidelines, and procedures issued under section 431 by the Board;

(2) the results of the assessments, reviews, and evaluations conducted by the Board under subtitle B;

(3) the types and extent of assistance, information, and products provided by the Board; and

(4) any other activities of the Board.

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

SEC. 431. ESTABLISHMENT OF PERFORMANCE BENCHMARKS AND ACCREDITATION PROCEDURES.

(a) PERFORMANCE BENCHMARKS.—

(1) PERFORMANCE AREAS.—The Housing Foundation and Accreditation Board established under section 401 (in this subtitle referred to as the "Board") shall establish standards and guidelines, for use under section 434, to measure the performance of local housing and management authorities in all aspects relating to—

(A) operational and financial functions;

(B) providing, maintaining, and assisting low-income housing—

(i) that is safe, clean, and healthy, as required under sections 232 and 328;

(ii) in a manner consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, if appropriate;

(iii) that is occupied by eligible families; and

(iv) that is affordable to eligible families;

(C) producing low-income housing and executing capital projects, if applicable;

(D) administering the provision of housing assistance under title III;

(E) accomplishing the goals and plans set forth in the local housing management plan for the authority;

(F) promoting responsibility and self-sufficiency among residents of public housing developments of the authority and assisted families under title III; and

(G) complying with the other requirements of the authority under block grant contracts under title II, grant agreements under title III, and the provisions of this Act.

(2) PERFORMANCE CATEGORIES.—In establishing standards and guidelines under this section, the Board shall define various levels of performance, which shall include the following levels:

(A) EXCEPTIONALLY WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as exceptionally well-managed, which shall indicate that the authority functions exceptionally

(B) WELL-MANAGED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as well-managed, which shall indicate that the authority functions satisfactorily.

(C) AT RISK OF BECOMING TROUBLED.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as at risk of becoming troubled, which shall indicate that there are elements in the operations, management, or functioning of the authority that must be addressed before they result in serious and complicated deficiencies.

(D) TROUBLED.—A minimum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as a troubled authority, which shall indicate that the authority functions unsatisfactorily with respect to certain areas under paragraph (1), but such deficiencies are not irreparable.

(E) DYSFUNCTIONAL.—A maximum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as dysfunctional, which shall indicate that the authority suffers such deficiencies that the authority should not be allowed to continue to manage low-income housing or administer housing assistance.

(3) ACCREDITATION STANDARD.—In establishing standards and guidelines under this section, the Board shall establish a minimum acceptable level of performance for accrediting a local housing and management authority for purposes of authorizing the authority to enter into a new block grant contract under title II or a new grant agreement under title III.

(b) ACCREDITATION PROCEDURE.—The Accreditation Board shall establish procedures for—

(1) reviewing the performance of a local housing and management authority over the term of the expiring accreditation, which review shall be conducted during the 12-month period that ends upon the conclusion of the term of the expiring accreditation;

(2) evaluating the capability of a local housing and management authority that proposes to enter into an initial block grant contract under title II or an initial grant agreement under title III; and

(3) determining whether the authority complies with the standards and guidelines for accreditation established under subsection (a)(3).

The procedures for a review or evaluation under this subsection shall provide for the review or evaluation to be conducted by an assessment team established by the Board, which shall review annual financial and performance audits conducted under section 432 and obtain such information as the Board may require.

(c) IDENTIFICATION OF POTENTIAL PROBLEMS.—The standards and guidelines under subsection (a) and the procedure under subsection (b) shall be established in a manner designed to identify potential problems in the operations, management, functioning of local housing and management authorities at a time before such problems result in serious and complicated deficiencies.

(d) INTERIM APPLICABILITY OF PHMAP.—Notwithstanding any other provision of this subtitle, during the period that begins on the date of the enactment of this Act and ends upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under this section and section 432, the Secretary shall assess the management performance of local housing and management authorities in the same manner provided for public housing agencies pursuant to section 6(f) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this

Act) and may take actions with respect to local housing and management authorities that are authorized under such section with respect to public housing agencies.

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA PROVIDES FOR AUDIT.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) SECRETARY REQUESTS BOARD TO PROVIDE FOR AUDIT.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) BOARD PROVIDES FOR AUDIT.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) SUBMISSION OF RESULTS.—

(1) SUBMISSION TO SECRETARY AND BOARD.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) SUBMISSION TO LOCAL OFFICIALS.—

(A) REQUIREMENT.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) PROCEDURES.—The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent

to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary:

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) PURPOSE.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—

(1) LHMA RESPONSIBLE FOR AUDIT.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) BOARD RESPONSIBLE FOR AUDIT.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

SEC. 433. ACCREDITATION.

(a) REVIEW UPON EXPIRATION OF PREVIOUS ACCREDITATION.—The Accreditation Board shall

perform a comprehensive review of the performance of a local housing and management authority, in accordance with the procedures established under section 431(b), before the expiration of the term for which a previous accreditation was granted under this subtitle.

(b) INITIAL EVALUATION.—

(1) IN GENERAL.—Before entering into an initial block grant contract under title II or an initial contract pursuant to section 302 for assistance under title III with any local housing and management authority, the Board shall conduct a comprehensive evaluation of the capabilities of the local housing and management authority.

(2) EXCEPTION.—Paragraph (1) shall not apply to an initial block grant contract or grant agreement entered into during the period beginning upon the date of the enactment of this Act and ending upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under section 431 with any public housing agency that received amounts under the United States Housing Act of 1937 during fiscal year 1995.

(c) DETERMINATION AND REPORT.—Pursuant to a review or evaluation under this section, the Board shall determine whether the authority meets the requirements for accreditation under section 431(a)(3), shall accredit the authority if it meets such requirements, and shall submit a report on the results of the review or evaluation and such determination to the Secretary and the authority.

(d) ACCREDITATION.—An accreditation under this section shall expire at the end the term established by the Board in granting the accreditation, which may not exceed 5 years. The Board may qualify an accreditation placing conditions on the accreditation based on the future performance of the authority.

SEC. 434. CLASSIFICATION BY PERFORMANCE CATEGORY.

Upon completing the accreditation process under section 433 with respect to a local housing and management authority, the Housing Finance and Accreditation Board shall designate the authority according to the performance categories under section 431(a)(2). In determining the classification of an authority, the Board shall consider the most recent financial and performance audit under section 432 of the authority and accreditation reports under section 433(c) for the authority.

SEC. 435. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a local housing and management authority as at risk of becoming troubled under section 431(a)(2)(C), the Secretary shall seek to enter into an agreement with the authority providing for improvement of the elements of the authority that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the authority.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the local housing and management authority from becoming a troubled authority, the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the authority; or

(2) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction

management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the authority.

SEC. 436. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED LHMA'S.

(a) IN GENERAL.—Upon designation of a local housing and management authority as a troubled authority under section 431(a)(2)(D), the Secretary shall seek to enter into an agreement with the authority providing for improving the management performance of the authority.

(b) CONTENTS.—An agreement under this section between the Secretary and a local housing and management authority shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 431(a)(1) and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the local housing and management authority.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the local housing and management authority shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a local housing and management authority, the Secretary shall review the performance of the authority in relation to the performance targets and strategies under the agreement. If the Secretary determines that the authority has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF LHMA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a local housing and management authority is located has substantially contributed to the conditions resulting in the authority being designated under section 431(a)(2)(D) as a troubled authority, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of such Act.

SEC. 437. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 201 for block grants under title II (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the local housing and management authority is subject (as such substantial default shall be defined in such contract) or upon designation of the authority as dysfunctional pursuant to section 431(a)(2)(E), the local housing and management authority shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) **OBLIGATION TO RECONVEY.**—Any block grant contract under title II containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such local housing and management authority or to its successor (if such local housing and management authority or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the authority, unless there are any obligations or covenants of the authority to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) **CONTINUED GRANTS FOR REPAYMENT OF BONDS AND NOTES UNDER 1937 ACT.**—If—

(1) a contract for block grants under title II for an authority includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the local housing and management authority as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this Act), continue to make the block grant payments for the authority so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 438. REMOVAL OF INEFFECTIVE LHMA'S.

(a) **CONDITIONS OF REMOVAL.**—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a local housing and management authority with respect to (A) the covenants or conditions to which the local housing and management authority is subject, or (B) an agreement entered into under section 436;

(2) designation of the authority as dysfunctional pursuant to section 431(a)(2)(E);

(3) in the case only of action under subsection (b)(1), failure of a local housing and management authority to obtain reaccreditation upon the expiration of the term of a previous accreditation granted under this subtitle; or

(4) submission to the Secretary of a petition by the residents of the public housing owned or operated by a local housing and management authority that is designated as troubled or dysfunctional pursuant to section 431(a)(2).

(b) **REMOVAL ACTIONS.**—Notwithstanding any other provision of law or of any block grant contract under title II or any grant agreement under title III, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the local housing and management authority or all or part of the other functions of the authority;

(2) take possession of the local housing and management authority, including any developments or functions of the authority under any section of this Act;

(3) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the authority to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title III for managing all, or part of, the public housing administered by the authority or the functions of the authority; or

(5) petition for the appointment of a receiver for the local housing and management authority to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the local housing and management authority is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) **EMERGENCY ASSISTANCE.**—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title III.

(d) **POWERS OF SECRETARY.**—If the Secretary takes possession of an authority, or any developments or functions of an authority, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed;

(2) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities;

(4) may consolidate the authority into other well-managed local housing and management authorities with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification; and

(6) shall have such additional authority as a district court of the United States has the au-

thority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a local housing and management authority. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new local housing and management authorities pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(e) **RECEIVERSHIP.**—

(1) **REQUIRED APPOINTMENT.**—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the local housing and management authority in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another local housing and management authority, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) **POWERS OF RECEIVER.**—If a receiver is appointed for a local housing and management authority pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(B) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification.

For purposes of this paragraph, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(3) **TERMINATION.**—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the local housing and management authority will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) **LIABILITY.**—If the Secretary takes possession of an authority pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a local housing and management authority, the Secretary or the receiver shall be deemed to be acting in the capacity of the local housing and management authority (and not in the official capacity as Secretary or other official) and any liability incurred shall

be a liability of the local housing and management authority.

(g) **EFFECTIVENESS.**—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

SEC. 439. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) **REMOVAL OF AGENCY.**—Notwithstanding any other provision of this Act, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) **CONTRACTING FOR MANAGEMENT.**—Solicit competitive proposals for the management of the agency pursuant to section 437(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) **TAKEOVER.**—Take possession of the agency pursuant to section 437(b)(2) of such Act.

(b) **DEFINITION.**—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon such date of enactment; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 440. TREATMENT OF TROUBLED PHA'S.

(a) **EFFECT OF TROUBLED STATUS ON CHAS.**—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) **DEFINITION.**—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 439(b) of this Act.

SEC. 441. MAINTENANCE OF AND ACCESS TO RECORDS.

(a) **KEEPING OF RECORDS.**—Each local housing and management authority shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the authority of the proceeds of assistance received pursuant to this Act and to ensure compliance with the requirements of this Act.

(b) **ACCESS TO DOCUMENTS.**—The Secretary, the Inspector General for the Department of Housing and Urban Development, and the Comptroller General of the United States shall each have access for the purpose of audit and examination to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

SEC. 442. ANNUAL REPORTS REGARDING TROUBLED LHMA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the local housing and management authorities that are designated as troubled or dysfunctional under section 431(a)(2) and the reasons for such designation;

(2) identifies the local housing and management authorities that have lost accreditation pursuant to section 433; and

(3) describes any actions that have been taken in accordance with sections 433, 434, 435, 436, and 438.

SEC. 443. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to local housing and management authorities.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) **IN GENERAL.**—The following provisions of law are hereby repealed:

(1) **UNITED STATES HOUSING ACT OF 1937.**—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

(2) **ASSISTED HOUSING ALLOCATION.**—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(3) **PUBLIC HOUSING RENT WAIVERS FOR POLICE.**—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a-1).

(4) **OCCUPANCY PREFERENCES AND INCOME MIX FOR NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION PROJECTS.**—Subsection (c) of section 545, and section 555, of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) **TREATMENT OF CERTIFICATE AND VOUCHER HOLDERS.**—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(6) **EXCESSIVE RENT BURDEN DATA.**—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(7) **SECTION 8 DISASTER RELIEF.**—Sections 931 and 932 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note).

(8) **MOVING TO OPPORTUNITY FOR FAIR HOUSING.**—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(9) **REPORT REGARDING FAIR HOUSING OBJECTIVES.**—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(10) **SECTION 8 COMMUNITY INVESTMENT DEMONSTRATION.**—Section 6 of the HUD Demonstration Act of 1993 (42 U.S.C. 1437f note).

(11) **SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.**—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(12) **ACCESS TO PHA BOOKS.**—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(13) **MISCELLANEOUS PROVISIONS.**—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97-35, 95 Stat. 406; 42 U.S.C. 1437f note).

(14) **PAYMENT FOR DEVELOPMENT MANAGERS.**—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j-1).

(15) **PURCHASE OF PHA OBLIGATIONS.**—Section 329E of the Housing and Community Development Amendments of 1981 (12 U.S.C. 2294a).

(16) **PROCUREMENT OF INSURANCE BY PHA'S.**—

(A) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101-507; 104 Stat. 1369).

(B) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, the 19th through 23d undesignated paragraphs of such item (Public Law 102-139; 105 Stat. 758).

(17) **PUBLIC HOUSING CHILDHOOD DEVELOPMENT.**—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z-6 note).

(18) **INDIAN HOUSING CHILDHOOD DEVELOPMENT.**—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z-6 note).

(19) **PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.**—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(20) **PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.**—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(21) **PUBLIC HOUSING MINCS DEMONSTRATION.**—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(22) **PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.**—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(23) **OMAHA HOMEOWNERSHIP DEMONSTRATION.**—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3712).

(24) **PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.**—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(b) **SAVINGS PROVISION.**—The repeals made by subsection (a) shall not affect any legally binding obligations entered into before the date of the enactment of this Act. Any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

SEC. 502. CONFORMING AND TECHNICAL PROVISIONS.

(a) **ALLOCATION OF ELDERLY HOUSING AMOUNTS.**—Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(1)) is amended by adding at the end the following new paragraph:

"(4) **CONSIDERATION IN ALLOCATING ASSISTANCE.**—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents."

(b) **ELIGIBILITY FOR ASSISTED HOUSING.**—

(1) **GENERAL.**—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) **DEFINITION.**—For purposes of this subsection, the term "assisted housing" means housing designed primarily for occupancy by elderly persons or persons with disabilities that is assisted pursuant to this Act, the United States Housing Act of 1937, section 221(d)(3) or 236 of

the National Housing Act, section 202 of the Housing Act of 1959, section 101 of the Housing and Urban Development Act of 1965, or section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(3) CONTINUED OCCUPANCY.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the date of enactment of this Act.

(c) AMENDMENT TO HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.—Section 227(d)(2) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r-1(d)(2)) is amended by inserting "the United States Housing Act of 1996," after "the United States Housing Act of 1937,".

(d) REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.—

(1) REQUIREMENT.—Notwithstanding the repeal under section 501(a)(26), the Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(A) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(B) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(C) to determine how many such contracts were awarded under emergency contracting procedures;

(D) to evaluate the effectiveness of the contracts; and

(E) to provide a full accounting of all expenses under the contracts.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under paragraph (1) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (A) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (B) for each contract that the Secretary determines is in such compliance in a personal certification of such compliance by the Secretary of Housing and Urban Development.

(3) ACTIONS.—For each contract that is described in the report under paragraph (2) as not made or not operating in full compliance with applicable laws and regulation, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(A) to bring such contract into compliance; or

(B) to terminate the contract.

(e) REFERENCES.—Except as provided in section 271 and 501(b), any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to—

(1) public housing or housing assisted under the United States Housing Act of 1937 is deemed to refer to public housing assisted under title II of this Act;

(2) to assistance under section 8 of the United States Housing Act of 1937 is deemed to refer to assistance under title III of this Act; and

(3) to assistance under the United States Housing Act of 1937 is deemed to refer to assistance under this Act.

(f) CONVERSION OF PROJECT-BASED ASSISTANCE TO CHOICE-BASED RENTAL ASSISTANCE.—

(1) SECTION 8 PROJECT-BASED CONTRACTS.—Upon the request of the owner of a multifamily

housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) SECTION 236 CONTRACTS.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) ELIGIBLE UNITS.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) RECAPTURE.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

SEC. 503. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1996'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) local housing and management authorities, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing."

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: "including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services."

(2) OTHER LHMA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in housing owned by public housing agencies" and inserting "crime in and around housing owned by local housing and management authorities"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2)—

(i) by striking "public housing agency" and inserting "local housing and management authority"; and

(ii) by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) LHMA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following local housing and management authorities:

“(A) NEW APPLICANTS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and has—

“(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

“(ii) had such application and plan approved by the Secretary.

“(B) RENEWALS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and for which—

“(i) a grant was made under this chapter for the preceding Federal fiscal year;

“(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

“(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

“(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the local housing and management authority submitting the plan—

“(A) the nature of the crime problem in public housing owned or operated by the local housing and management authority;

“(B) the building or buildings of the local housing and management authority affected by the crime problem;

“(C) the impact of the crime problem on residents of such building or buildings; and

“(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

“(3) AMOUNT.—In any fiscal year, the amount of the grant for a local housing and management authority receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such authority bears to the total number of dwelling units owned or operated by all local housing and management authorities that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

“(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each local housing and management authority receiving a grant pursuant to this subsection to determine whether the agency—

“(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

“(B) has a continuing capacity to carry out such plan in a timely manner.

“(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

“(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the

Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the local housing and management authority submitting the application and plan of such approval or disapproval.

“(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an authority that the application and plan of the authority is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the authority, in writing, of the reasons for the disapproval, the actions that the authority could take to comply with the criteria for approval, and the deadlines for such actions.

“(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an authority of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an authority whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

“(b) LHMA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

“(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a local housing and management authority that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

“(2) GRANTS FOR LHMA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to local housing and management authorities that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

“(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

“(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

“(A) the extent of the crime problem in and around the housing for which the application is made;

“(B) the quality of the plan to address the crime problem in the housing for which the application is made;

“(C) the capability of the applicant to carry out the plan; and

“(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of

the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the United States Housing Act of 1996.

“(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

“(A) relevant differences between the financial resources and other characteristics of local housing and management authorities and owners of federally assisted low-income housing; or

“(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.”

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking “section” before “221(d)(4)”;

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

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

“(3) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term ‘local housing and management authority’ has the meaning given the term in title I of the United States Housing Act of 1996.”

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking “Cranston-Gonzalez National Affordable Housing Act” and inserting “United States Housing Act of 1996”.

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking “drug-related crime in” and inserting “crime in and around”; and

(2) by striking “described in section 5125(a)” and inserting “for the grantee submitted under subsection (a) or (b) of section 5125, as applicable”.

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new sections:

“SEC. 5130. FUNDING.

“(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal years 1997 and 1998.

“(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

“(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to local housing and management authorities that own or operate 250 or more public housing dwelling units;

“(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to local housing and management authorities that own or operate fewer than 250 public housing dwelling units; and

“(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).”

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100-690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME";

(2) by striking the item relating to section 5122 and inserting the following new item:

"Sec. 5122. Purposes.";

(3) by striking the item relating to section 5125 and inserting the following new item:

"Sec. 5125. Grant procedures.";

and

(4) by striking the item relating to section 5130 and inserting the following new item:

"Sec. 5130. Funding.".

(i) **TREATMENT OF NOFA.**—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c)).

SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) **ELIGIBILITY OF METROPOLITAN CITIES.**—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title."; and

(2) by striking the fifth sentence and inserting the following new sentence: "Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph.".

(b) **PUBLIC SERVICES LIMITATION.**—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "through 1997" and inserting "through 1998".

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families,

such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

"(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

"(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

"(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

"(i) which constitutes at least 5 acres of total acreage;

"(ii) whose fair market value exceeds \$100,000; or

"(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

"(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101-510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note)".

SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) **NATIONAL STANDARD PROHIBITED.**—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) **STATE STANDARD.**—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) **ABSENCE OF STATE STANDARD.**—If a State fails to establish an occupancy standard, an oc-

cupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) **DEFINITION.**—

(1) **GENERAL RULE.**—Except as provided in paragraph (2), the term "occupancy standard" means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) **EXCEPTION.**—The term "occupancy standard" does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) **EFFECTIVE DATE.**—This section shall take effect January 1, 1996.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) **IMPLEMENTATION.**—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) **REPORT.**—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) **HOME INVESTMENT PARTNERSHIPS.**—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) **DEFINITIONS.**—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) **INCOME TARGETING.**—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) **RENT LIMITS.**—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) **CDBG.**—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42

U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—
 "(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and
 "(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area."

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z-1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking "the lower of (i)";

(2) in the second sentence, by striking "(ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located"; and

(3) by inserting after the second sentence the following: "However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent."

SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement."

SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) **PURPOSE.**—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) **PROGRAM AUTHORITY.**—

(1) **SELECTION OF PARTICIPANTS.**—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In the first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 years of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) **TRAINING.**—The Secretary, in consultation with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) **USE OF HOUSING ASSISTANCE.**—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for public housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) **APPLICATION.**—An application to participate in the demonstration—

(1) shall request authority to combine assistance referred to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) **SELECTION CRITERIA.**—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only

if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) **APPLICABILITY OF CERTAIN PROVISIONS.**—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) **EFFECT ON PROGRAM ALLOCATIONS.**—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) **RECORDS, REPORTS, AND AUDITS.**—

(1) **KEEPING OF RECORDS.**—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) **REPORTS.**—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) **ACCESS TO DOCUMENTS BY THE SECRETARY.**—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) **ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.**—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) **EVALUATION AND REPORT.**—

(1) **CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.**—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) **REPORT TO CONGRESS.**—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.

(a) **OCCUPANCY SCREENING.**—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting "(a) GENERAL CRITERIA.—" before "In"; and

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

"(b) **AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.**—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3

years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

“(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy; and

“(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

“(c) **AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.**—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

“(d) **DEFINITION.**—For purposes of subsections (b) and (c), the term ‘federally assisted housing’ has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).”

(b) **TERMINATION OF TENANCY.**—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

“**SEC. 645. TERMINATION OF TENANCY.**

“Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

“(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

“(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

“(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing,

“(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

“(C) is criminal activity (including drug-related criminal activity) on or off the premises, shall be cause for termination of tenancy.”

(c) **AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.**—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

“**SEC. 646. AVAILABILITY OF RECORDS.**

“(a) **IN GENERAL.**—

“(1) **PROVISION OF INFORMATION.**—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of

applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

“(2) **EXCEPTION.**—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

“(b) **CONFIDENTIALITY.**—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

“(c) **OPPORTUNITY TO DISPUTE.**—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

“(d) **FEE.**—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

“(e) **RECORDS MANAGEMENT.**—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

“(1) maintained confidentially;

“(2) not misused or improperly disseminated; and

“(3) destroyed, once the purpose for which the record was requested has been accomplished.

“(f) **PENALTY.**—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000. The term ‘person’ as used in this subsection shall include an officer or employee of any local housing and management authority.

“(g) **CIVIL ACTION.**—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

“(h) **DEFINITIONS.**—For purposes of this section, the following definitions shall apply:

“(1) **ADULT.**—The term ‘adult’ means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

“(2) **FEDERALLY ASSISTED HOUSING.**—The term ‘federally assisted housing’ has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).”

(d) **DEFINITIONS.**—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking “section 3(b) of the United States Housing Act of 1937” and inserting “section 102 of the United States Housing Act of 1996”;

(B) in subparagraph (B), by inserting before the semicolon at the end the following: “(as in effect before the enactment of the United States Housing Act of 1996)”;

(C) in subparagraph (F), by striking “and” at the end;

(D) in subparagraph (G), by striking the period at the end and inserting “; and”; and

(E) by adding at the end the following new subparagraph:

“(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and 646, housing assisted under section 515 of the Housing Act of 1949.”;

(2) in paragraph (4), by striking “public housing agency” and inserting “local housing and management authority”; and

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

“(6) **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 defined in section 102 of the Controlled Substances Act).”

SEC. 515. USE OF AMERICAN PRODUCTS.

(a) **PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.**—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) **NOTICE REQUIREMENT.**—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 516. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.

Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

“(i) **LIMITATION ON USE.**—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 50 percent of such amounts obtained by the eligible public entity or agency.”

SEC. 517. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title III of this Act or the United States Housing Act of 1937, as in effect before the enactment of this Act) that involves the Secretary and any local housing and management authority or any unit of general local government, the Secretary shall consult with any units of general local government

and local housing and management authorities having jurisdictions that are adjacent to the jurisdiction of the local housing and management authority involved.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

SEC. 602. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing 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;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(c) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 432.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(4) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) 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 shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it 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.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title \$750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon

the date that the Commission is established pursuant to section 602(a).

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

SECTION 701. SHORT TITLE.

This title may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 702. CONGRESSIONAL FINDINGS.

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-government by making such assistance available directly to the tribes or tribally designated entities.

SEC. 703. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 704. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) **AFFORDABLE HOUSING.**—The term "affordable housing" means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) **FAMILIES AND PERSONS.**—

(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 displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) **FAMILIES.**—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons 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 for purposes of this title.

(D) **ELDERLY PERSON.**—The term "elderly person" means a person who is at least 62 years of age.

(E) **PERSON WITH DISABILITIES.**—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) **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.

(G) **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.

(3) **GRANT BENEFICIARY.**—The term "grant beneficiary" means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) **INDIAN.**—The term "Indian" means any person who is a member of an Indian tribe.

(5) **INDIAN AREA.**—The term "Indian area" means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) **INDIAN TRIBE.**—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) **LOCAL HOUSING PLAN.**—The term "local housing plan" means a plan under section 712.

(8) **LOW-INCOME FAMILY.**—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) **MEDIAN INCOME.**—The term "median income" means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) **RECIPIENT.**—The term "recipient" means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) **TRIBALLY DESIGNATED HOUSING ENTITY.**—The terms "tribally designated housing entity" and "housing entity" have the following meaning:

(A) **EXISTING IHA'S.**—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) **OTHER ENTITIES.**—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity 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 or housing entities for Indians, including regional housing authorities in the State of Alaska, the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

Subtitle A—Block Grants and Grant Requirements

SEC. 711. BLOCK GRANTS.

(a) **AUTHORITY.**—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under

such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) **CONDITION OF GRANT.**—

(1) **IN GENERAL.**—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 712; and

(B) the plan has been determined under section 713 to comply with the requirements of section 712.

(2) **WAIVER.**—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or can not comply with such requirements because of circumstances beyond the control of the tribe.

(c) **AMOUNT.**—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 741 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 741 for each such Indian tribe.

(d) **USE FOR AFFORDABLE HOUSING ACTIVITIES.**—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) **EFFECTUATION OF LHP.**—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 713 for the grant beneficiary on whose behalf the grant is made.

(f) **ADMINISTRATIVE EXPENSES.**—

(1) **IN GENERAL.**—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 712.

(2) **CONTENTS OF REGULATIONS.**—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) **PUBLIC-PRIVATE PARTNERSHIPS.**—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

SEC. 712. LOCAL HOUSING PLANS.

(a) **IN GENERAL.**—

(1) **SUBMISSION.**—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the

plan under subsection (e) for the tribe) and for the review of such plans.

(2) **LOCALLY DRIVEN NATIONAL OBJECTIVES.**—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 721(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 721(a).

(b) **5-YEAR PLAN.**—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) **LOCALLY DRIVEN NATIONAL OBJECTIVES.**—The information described in subsection (a)(2).

(2) **CAPITAL IMPROVEMENT OVERVIEW.**—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) **1-YEAR PLAN.**—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) **FINANCIAL RESOURCES.**—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) **AFFORDABLE HOUSING.**—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) a description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will mon-

itor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient 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

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) **INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.**—A plan describing how the recipient for the tribe will comply with the requirements under section 723 relating to low-income housing owned or operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information

required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) **INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.**—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) **DISTRIBUTION OF ASSISTANCE.**—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) **PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.**—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) **COORDINATION OF PLANS.**—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) **PLANS FOR SMALL TRIBES.**—

(1) **SEPARATE REQUIREMENTS.**—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) **SMALL TRIBES.**—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) **REGULATIONS.**—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 716.

SEC. 713. REVIEW OF PLANS.

(a) **REVIEW AND NOTICE.**—

(1) **REVIEW.**—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan

complies with the requirements of section 712. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) **NOTICE.**—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 712 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) **NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.**—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 712, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 712.

(c) **STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.**—The Secretary may determine that a plan does not comply with the requirements under section 712 only if—

(1) the plan is not consistent with the national objectives under section 721(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) **TREATMENT OF EXISTING PLANS.**—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 712.

(e) **UPDATES TO PLAN.**—After a plan under section 712 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 712(b) or the 1-year period under section 712(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

SEC. 714. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) **PROGRAM INCOME.**—

(1) **AUTHORITY TO RETAIN.**—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing ac-

tivities in accordance with the provisions of this title.

(2) **PROHIBITION OF REDUCTION OF GRANT.**—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) **EXCLUSION OF AMOUNTS.**—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b)(1) **IN GENERAL.**—Any contract for the construction of affordable housing with 12 or more units assisted with grant amounts made available under this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a–5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and recipients shall require certification as to the compliance with the provisions of this section prior to making any payment under such contract.

(2) **EXCEPTIONS.**—Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.

(3) **WAIVER.**—The Secretary may waive the provisions of this subsection.

SEC. 715. ENVIRONMENTAL REVIEW.

(a) **IN GENERAL.**—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) **PROCEDURE.**—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and

such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) **CERTIFICATION.**—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,
(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

SEC. 716. REGULATIONS.

(a) **INTERIM REQUIREMENTS.**—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 717(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.

(1) **TIMING.**—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 717(a).

(2) **NEGOTIATED RULEMAKING.**—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

SEC. 717. EFFECTIVE DATE.

(a) **IN GENERAL.**—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) **INTERIM APPLICABILITY.**—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) **USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.**—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and

shall be used subject to the provisions of this title relating to such grant amounts.

(2) **LOCAL HOUSING PLAN.**—Notwithstanding section 713 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) **ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.**—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

SEC. 718. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for grants under subtitle A \$650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

Subtitle B—Affordable Housing Activities

SEC. 721. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) **PRIMARY OBJECTIVE.**—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.

(1) **IN GENERAL.**—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) **EXCEPTION TO LOW-INCOME REQUIREMENT.**—A recipient may provide assistance for

model activities under section 722(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) **NON-INDIAN FAMILIES.**—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) **PREFERENCE FOR INDIAN FAMILIES.**—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) **EXEMPTION.**—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 722. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) **INDIAN HOUSING ASSISTANCE.**—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) **DEVELOPMENT.**—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) **HOUSING SERVICES.**—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) **HOUSING MANAGEMENT SERVICES.**—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) **CRIME PREVENTION AND SAFETY ACTIVITIES.**—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) **MODEL ACTIVITIES.**—Housing activities under model programs that are designed to

carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 723. REQUIRED AFFORDABLE HOUSING ACTIVITIES.

(a) **MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.**—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 722(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) **DEMOLITION AND DISPOSITION.**—This title may not be construed to prevent any recipient (or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 116, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

SEC. 724. TYPES OF INVESTMENTS.

(a) **IN GENERAL.**—Subject to section 723 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) **LEVERAGING PRIVATE INVESTMENT.**—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

SEC. 725. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

SEC. 726. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 727. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) **LEASES.**—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) **TENANT SELECTION.**—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 728. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 725(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such hous-

ing (under the authority under section 751(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 729. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

Subtitle C—Allocation of Grant Amounts

SEC. 741. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 742, among Indian tribes that comply with the requirements under this title for a grant under this title.

SEC. 742. ALLOCATION FORMULA.

The Secretary shall, by regulations issued in the manner provided under section 716, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

Subtitle D—Compliance, Audits, and Reports

SEC. 751. REMEDIES FOR NONCOMPLIANCE.

(a) **ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.**—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 752(b), provide a replacement tribally designated housing entity for the recipient, under section 752.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) **NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.**—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is

designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

SEC. 752. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient

ent for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 753. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 754 and made available to the public.

SEC. 754. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient

may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 755. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 754 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 756. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. 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 such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 757. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

SEC. 761. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) **IN GENERAL.**—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) **TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.**—Except as provided in section 723(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

SEC. 762. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

SEC. 763. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) **IN GENERAL.**—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and
(2) by inserting after section 459 the following new section:

“SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

“Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.”

(b) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 764. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) **IN GENERAL.**—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—
(A) in paragraph (1), by striking “reserving amounts under paragraph (2) for Indian tribes and after”; and
(B) by striking paragraph (2); and
(2) in section 288—

(A) in subsection (a), by striking “, Indian tribes.”;
(B) in subsection (b), by striking “, Indian tribe.”; and
(C) in subsection (c)(4), by striking “, Indian tribe.”.

(b) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 765. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) **MCKINNEY ACT PROGRAMS.**—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);
(2) in section 412, by striking “, and for Indian tribes.”;

(3) in section 413—
(A) in subsection (a)—
(i) by striking “, and to Indian tribes.”; and
(ii) by striking “, or for Indian tribes” each place it appears;

(B) in subsection (c), by striking “or Indian tribe.”; and
(C) in subsection (d)(3)—

(i) by striking “, or Indian tribe” each place it appears; and
(ii) by striking “, or other Indian tribes.”;

(4) in section 414(a)—
(A) by striking “or Indian tribe” each place it appears; and
(B) by striking “, local government,” each place it appears and inserting “or local government”;

(5) in section 415(c)(4), by striking “Indian tribes.”;

(6) in section 416(b), by striking “Indian tribe.”;

(7) in section 422—
(A) in by striking “Indian tribe.”; and
(B) by striking paragraph (3);

(8) in section 441—
(A) by striking subsection (g);
(B) in subsection (h), by striking “or Indian housing authority.”; and
(C) in subsection (j)(1), by striking “, Indian housing authority.”;

(9) in section 462—
(A) in paragraph (2), by striking “, Indian tribe.”; and
(B) by striking paragraph (4); and
(10) in section 491(e), by striking “, Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974).”.

(b) **INNOVATIVE HOMELESS DEMONSTRATION.**—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking “unit of general local government”, and “Indian tribe” and inserting “and ‘unit of general local government’”; and
(2) in paragraph (4), by striking “unit of general local government (including units in rural areas), or Indian tribe” and inserting “or unit of general local government”.

(c) **EFFECTIVE DATE AND APPLICABILITY.**—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 766. SAVINGS PROVISION.

Except as provided in sections 761 and 762, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

SEC. 767. EFFECTIVE DATE.

Sections 761, 762, and 766 shall take effect on the date of the enactment of this title.

Subtitle F—Loan Guarantees for Affordable Housing Activities

SEC. 771. AUTHORITY AND REQUIREMENTS.

(a) **AUTHORITY.**—To such extent or in such amounts as provided in appropriation Acts, the

Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 722.

(b) **LACK OF FINANCING ELSEWHERE.**—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee.

(c) **TERMS OF LOANS.**—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) **LIMITATION ON OUTSTANDING GUARANTEES.**—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 772(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) **PROHIBITION OF PURCHASE BY FFB.**—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) **PROHIBITION OF GUARANTEE FEES.**—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

SEC. 772. SECURITY AND REPAYMENT.

(a) **REQUIREMENTS ON ISSUER.**—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impair the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 723(a); and
(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) **REPAYMENT FROM GRANT AMOUNTS.**—Notwithstanding any other provision of this title—
(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and
(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be

specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) **FULL FAITH AND CREDIT.**—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 773. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.

SEC. 774. TREASURY BORROWING.

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

SEC. 775. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

SEC. 776. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) **AGGREGATE FISCAL YEAR LIMITATION.**—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 subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of \$400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) **AUTHORIZATION OF APPROPRIATIONS FOR CREDIT SUBSIDY.**—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, \$40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) **AGGREGATE OUTSTANDING LIMITATION.**—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed \$2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) **FISCAL YEAR LIMITATIONS ON TRIBES.**—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of \$50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

SEC. 777. EFFECTIVE DATE.

This subtitle shall take effect upon the enactment of this title.

Subtitle G—Other Housing Assistance for Native Americans

SEC. 781. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) **DEFINITION OF ELIGIBLE BORROWERS TO INCLUDE INDIAN TRIBES.**—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z-13a) is amended—

(1) in subsection (a)—

(A) by striking "and Indian housing authorities" and inserting ", Indian housing authorities, and Indian tribes,"; and

(B) by striking "or Indian housing authority" and inserting ", Indian housing authority, or Indian tribe"; and

(2) in subsection (b)(1), by striking "or Indian housing authorities" and inserting ", Indian housing authorities, or Indian tribes".

(b) **NEED FOR LOAN GUARANTEE.**—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking "trust land" and inserting "lands or as a result of a lack of access to private financial markets".

(c) **LHP REQUIREMENT.**—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: "that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 712 and 713 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas".

(d) **LENDER OPTION TO OBTAIN PAYMENT UPON DEFAULT WITHOUT FORECLOSURE.**—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking "in a court of competent jurisdiction"; and

(B) by striking clause (ii) and inserting the following new clause:

"(ii) **NO FORECLOSURE.**—Without seeking 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 request to assign the obligation and security interest to the Secretary in return for payment of the claim under 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.";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) **LIMITATION OF MORTGAGEE AUTHORITY.**—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking "tribal allotted or trust land," and inserting "restricted Indian land, the mortgagee or"; and

(2) in the second sentence, by striking "Secretary" each place it appears, and inserting "mortgagee or the Secretary".

(f) **LIMITATION ON OUTSTANDING AGGREGATE PRINCIPAL AMOUNT.**—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking "1993" and all that follows through "such year" and inserting "1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount not exceeding \$400,000,000 for each such fiscal year".

(g) **AUTHORIZATION OF APPROPRIATIONS FOR GUARANTEE FUND.**—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking "such sums" and all that follows through "1994" and inserting "\$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001".

(h) **DEFINITIONS.**—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after "authority" the following: "or Indian tribe";

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) is authorized to engage in or assist in the development or operation of—

"(i) low-income housing for Indians; or

"(ii) housing subject to the provisions of this section; and"; and

(B) by adding at the end the following:

"The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996.";

and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975."

(i) **PRINCIPAL OBLIGATION AMOUNTS.**—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking clause (i) and inserting the following new clause:

"(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is \$50,000 or less); and".

(j) **AVAILABILITY OF AMOUNTS.**—

(1) **REQUIREMENT OF APPROPRIATIONS.**—Section 184(i)(5) of the Housing and Community Development Act of 1992 is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(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 to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated."

(2) **COSTS.**—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 is amended by adding at the end the following new sentence: "Any amounts appropriated pursuant to this subparagraph shall remain available until expended."

(k) **GNMA AUTHORITY.**—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C.

1721(g)(1)) is amended by inserting before the period at the end the following: "; or guaranteed under section 184 of the Housing and Community Development Act of 1992".

SEC. 782. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) **AUTHORITY TO LEASE.**—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) **TERM.**—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) **OTHER CONDITIONS.**—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) **RULE OF CONSTRUCTION.**—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

SEC. 783. TRAINING AND TECHNICAL ASSISTANCE.

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities \$2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 784. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 801. SHORT TITLE; REFERENCE.

(a) **SHORT TITLE.**—This title may be cited as the "National Manufactured Housing Construction and Safety Standards Act of 1996".

(b) **REFERENCE.**—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

SEC. 802. STATEMENT OF PURPOSE.

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: "The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes."

SEC. 803. DEFINITIONS.

(a) **IN GENERAL.**—Section 703 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking "dealer" and inserting "retailer";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

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

"(14) 'consensus committee' means the committee established under section 604(a)(7); and

"(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be de-

veloped and recommended to the Secretary by the consensus committee."

(b) **CONFORMING AMENDMENTS.**—

(1) **OCCURRENCES OF "DEALER"**.—The Act (42 U.S.C. 5401 et seq.) is amended by striking "dealer" and inserting "retailer" in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) **OTHER AMENDMENTS.**—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking "dealer or dealers" and inserting "retailer or retailers"; and

(B) by striking "dealers" and inserting "retailers" each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

SEC. 804. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) **ESTABLISHMENT.**—

"(1) **AUTHORITY.**—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

"(2) **CONSENSUS STANDARDS DEVELOPMENT PROCESS.**—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

"(3) **REVISIONS.**—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

"(4) **REVIEW BY SECRETARY.**—The Secretary shall either adopt, modify, or reject the stand-

ards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

"(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

"(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

"(i) such determination shall be made no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

"(iii) the final standard shall become effective pursuant to subsection (c).

"(5) **FAILURE TO ACT.**—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

"(6) **INTERPRETIVE BULLETINS.**—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

"(A) **REVIEW BY CONSENSUS COMMITTEE.**—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee, the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

"(B) **PROPOSALS.**—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

"(C) **EFFECT.**—Interpretive bulletins issued under this paragraph shall become binding without rulemaking.

"(7) CONSENSUS COMMITTEE.—

"(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

"(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

"(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

"(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

"(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:

"(I) Manufacturers.

"(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

"(III) Homeowners and consumer representatives.

"(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

"(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

"(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all meetings of the committee shall be open to the public.

"(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

"(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

"(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

"(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code."

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

"(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—"

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking "subsection (f)" and inserting "subsection (e)"; and

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

SEC. 805. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.

Section 605 (42 U.S.C. 5404) is hereby repealed.

SEC. 806. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting "to the Secretary" after "submit"; and

(B) by adding at the end the following new sentence: "Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation."

(2) in subsection (d), by inserting ", the consensus committee," after "public,"; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 807. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

"(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by

the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance."

SEC. 808. ELIMINATION OF ANNUAL REPORT REQUIREMENT.

Section 626 (42 U.S.C. 5425) is hereby repealed.

SEC. 809. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

□ 1400

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. LATHAM). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MRS. CLINTON'S FINGERPRINTS ON BILLING RECORDS II

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, last week I spoke about the new revelations that Mrs. Clinton's fingerprints were found on the billing records found in the White House. These records had been under subpoena by the special prosecutor for over 2 years, and they could not be found, and they turned up in the private living quarters of the First Lady and the President.

Today I would like to expand on this topic and raise some of the many, many unanswered questions that remain to be resolved. According to the Washington Post, the documents that were found in the Clinton's personal residence were copies and not the originals. The originals disappeared during the campaign for President in 1992. This raises a very serious question: Where are the originals? Who has the originals? Why were they removed from the Rose law firm files and never replaced? They disappeared right after reporters started asking questions about the Whitewater Development Corp.

It is widely believed that the billing records were removed from the law firm by Vincent Foster. The copies found in the White House residence had handwritten notes in the handwriting of both Mr. Foster and the First Lady. It is now well known that after Mr. Foster's death, a box full of documents

were removed from his office and locked up in the Clinton's personal residence at the White House. This was done by Mrs. Clinton's chief of staff, Maggie Williams. We are told that the records, the Clinton's personal records, were later turned over to their lawyer, David Kendall, but the question remains, did these also include these phone records, these billing records, that were later found, 2 years later, up at the White House residence?

This also raises numerous other questions. Were the billing records in Vince Foster's office before he died? Were they originals or were they copies? Did Maggie Williams, the First Lady's personal secretary, remove these billing records from his office and take them to the Clinton's residence along with the other information? Were either the originals or copies of the billing records turned over to Mr. Kendall with the Clinton's other personal records? Who else's fingerprints were found on these records?

It has been reported in Newsweek that Maggie Williams was recalled to testify before the grand jury after these records were turned over to the Independent Counsel. Here is a very interesting point: After the billing records were found in January, White House aides insisted to reporters that the records definitely did not come from Vince Foster's office. However, they also told reporters that they did not know how the records got into the personal residence of the First Lady and the President, and we are still trying to determine the chain of custody.

Now, if these White House aides had no idea how the records got into the personal residence in the first place, how could they be so sure they did not come from Vince Foster's office? The important thing to remember is that whoever knew that these records were in the White House and did not turn them over to the independent counsel is guilty of obstruction of justice. Whoever knew these records were in the White House and did not turn them over to the congressional committees that had subpoenaed them is guilty of contempt of Congress.

One more point: The Washington Post reported that David Kendall was called to the White House after the records were discovered. He and White House lawyer Jane Sherburne discussed the fact that the FBI would probably want to check the records for fingerprints. However, they went ahead after they may have had this discussion and photocopied every single page of the documents. Did these two lawyers intentionally make it more difficult for the FBI to obtain fingerprints from the pages of the documents by handling these documents and photocopying them?

It is very important to remember that these records contain information that casts serious doubts about Mrs.

Clinton's sworn statements about her legal work for Madison Guaranty. There are two central questions that must be resolved: First, is it plausible that these records were found in Mrs. Clinton's personal residence, had her fingerprints on them, and her handwriting on them, and she had not seen them since 1992? Second, who has the originals of these billing records? These questions must be answered and answered very quickly.

THE NEW BUDGET: DEJA VU ALL OVER AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, the Republican budget released in the last 2 days is truly a throwback to the Republican budget that was rejected overwhelmingly by the American people just last year.

Last year, the American people examined the Republican proposals to cut Medicare, to pay for tax breaks for the privileged few, for wealthy Americans, and the American people said, "These are not our values. These are not our priorities. This is not what we want to see. We don't want to see the funding for education, for environment, for Medicare and Medicaid, slashed." And because the American people really spoke out, they rose up against this budget last year, Congress in the end passed a budget that protects our Nation's priorities.

Yesterday, when the congressional majority, when their leadership unveiled their new budget, it was as Yogi Berra once said, *deja vu* all over again. We see the same skewed priorities, the same skewed values, and a willingness to do harm to working middle-class families in this country.

One of the most disturbing parts of this budget is the way that it undercuts medical protection for our Nation's seniors. Republicans propose cutting \$168 billion from Medicare, once again they propose, and their proposals and these Medicare cuts will result in less choice for seniors in choosing their doctors, the potential for closing down hospitals in this country, and for creating a second rate health care system for seniors in the United States of America.

The \$168 billion they want to cut from Medicare is not, do not let them fool you, is not necessary to make the Medicare system solvent. They may say that, but again, do not let them fool you, and do not buy it, the way you did not buy it in the last go-round.

The money that is being cut is not going to be put back into the Medicare trust fund. Once again, it is going to pay for tax breaks. The President proposed extending the solvency of Medicare for the same amount of time with-

out making the same deep cuts in the Medicare system.

They are using the money from these Medicare cuts to fund \$176 billion in unnecessary tax breaks.

If you want to know the real agenda of the Republican leadership on Medicare, all you need to do is to recall the words of House Speaker NEWT GINGRICH on Medicare not too many months ago. Not years ago, but not too many months ago. The Speaker said, "Now we don't get rid of it in round one, because we don't think that is the politically smart thing to do, and we do not think that is the right way to go through a transition. But we believe it is going to wither on the vine, because we think people are voluntarily going to leave it."

The majority leader of the other body said that he was proud to have voted in 1965 against Medicare because "it is a system that does not work." These people truly believe that Medicare is a wrong system, a bad system, and that it needs to be destroyed. Do not let them kid you in the direction they want to take the Medicare system. That is what the Republicans really want to do to Medicare. They want it to wither on the vine.

The Republican assault on health care for seniors does not stop with Medicare. In their budget they also propose cutting Medicaid by \$72 billion. That cut, combined with the block grant approach, will jeopardize the guarantee of coverage for folks who are in nursing homes. Most people do not understand what Medicaid is about. It is seniors who are in nursing homes that Medicaid covers.

In addition to cuts in Medicare and Medicaid, they propose including risky medical savings accounts in the Medicare system, a system that would allow wealthy seniors to operate out of the Medicare system, thereby weakening the program, allowing those who are most ill, most frail, to stay in traditional insurance programs, driving those premiums up, and not allowing people to be able to get health care.

To sum up, what this new Republican budget amounts to is yet another assault on the health care system for our Nation's seniors. Unless they withdraw this budget and rework their proposals, I expect that they will ignite, and I certainly hope they do, the same firestorm that forced their retreat last year. Their proposal is wrong and irresponsible.

ALASKAN OIL SALES RESPONSIBLE FOR GASOLINE PRICE HIKES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, last week the President of the United

States ordered oil to be pumped from the strategic petroleum reserve in an effort to counter rising gasoline prices. What is behind all this? Why are gasoline prices soaring, and why now? Why are price increases most dramatic on the West Coast?

Many factors can impact the price of oil. In this case, two Government actions are pushing up the price of gasoline. First, of course, the President's gas tax is making a bad situation worse. The gas tax hits the low-income working families the hardest and should be repealed immediately.

But just last week, at the same time that he ordered additional oil out of our strategic reserves, the President authorized the export of Alaskan oil to Asia. At a time when gas prices are soaring, he chose to send United States gasoline to Asian nations instead of to American consumers.

We had a ban on exporting Alaskan oil. The ban was part of an agreement that allowed the building of the pipeline in the first place. In fact, the pipeline would not have been built without that agreement. This agreement should never have been broken. As we face soaring oil prices at home, we are preparing to reduce domestic supplies of oil by shipping it overseas.

I saw it coming. Everyone should have seen this coming. During congressional consideration of that legislation to end the ban on export of Alaskan oil, I vigorously warned of higher gasoline prices, opposing even members of my own party. The majority of Congress argued that if we allow this oil to be exported, higher prices will be charged, with the result of revenue increase to the Treasury. But higher oil prices mean higher gasoline prices. That is not very complicated. It does not take a rocket scientist to figure that out. Legislation was then passed allowing the President to export the oil at his discretion.

Did not the Congress and the President realize that reducing the oil supply from Alaska would dramatically raise gas prices, especially on the West Coast? Of course price increases in the United States were sure to follow, as markets reacted in anticipation of falling supply and increasing demand.

The President's decisions contradict each other. He is opening the strategic petroleum reserve to lower the price of oil. At the same time this President allows shipments of American oil to Asian consumers. He is making the problem worse than it needs to be, and, as usual, working people and their families are paying the price.

It makes no sense to release our strategic reserves at the same time we are exporting needed Alaskan oil. Mr. President, please be consistent and stop playing politics with the price of gasoline.

TRIBUTE TO THOSE INVOLVED IN THE SEARCH FOR WILLIAM E. COLBY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, all of Washington and the Nation watched over some 7 days as America wondered what happened to the former Director of the CIA, William Colby. William Colby served his country in war and in peace. He served it with integrity and with commitment.

□ 1415

Tragically, his body was found 7 days after his canoe was discovered. He had drowned.

I had the opportunity of talking to his widow, Sally Shelton Colby, and when I talked to her, she was thankful for the volunteers and paid personnel of so many agencies who had throughout her vigil exercised their skill and their judgment in the search for an answer to why he was missing.

Therefore, Mr. Speaker, I rise today to recognize the efforts of more than 100 individuals, both paid and volunteer, who spent many hours in the cold waters and on the shoreline of the Wicomico River searching for the late William Colby.

The search ended early Monday morning after his body was discovered near the shoreline, ending, Mr. Speaker, an intense search that began on the 28th of April. There were many agencies and organizations involved in the search, as is always the case when neighbors get in trouble. That search was headed by the Maryland Department of Natural Resources Police. They did an outstanding job, and I want to recognize not only them but all the participants in this search, including the sheriff of Charles County, MD, Fred Davis, and the men and women of the Charles County Sheriff's Department who handled press inquiries, protected the Colby residence, and facilitated in the search.

The search involved countless volunteer hours and assistance from the Maryland State Police, aviation division; the Charles County dive team, who were the first divers in the search; the Cobb Island Volunteer Fire Department and emergency medical team; the 7th District Volunteer Fire Department, Boat 5 from the home county of myself, St. Mary's County; the Marbury Volunteer Fire Department, using their rescue boat and dive team; the Bel Alton Volunteer Fire Department; the St. Mary's County Sheriff's Department dive team, led by Sheriff Voorhaar; the Calvert County dive team; the U.S. Coast Guard; the Prince George's County dive team, Companies 22, 49, and 56; the LaPlata Volunteer Fire Department; the Sardon search and rescue dogs; the Cobb Island Vol-

unteer Fire Department Ladies Auxiliary.

Let me stop at the Cobb Island Ladies Auxiliary. I had the opportunity to talk to Gilda Farrell Wednesday night. Talked to her about the efforts of herself and the members of the auxiliary, and told her that Sally Shelton Colby expressed to me how persons who did not know her or her family were so warm in a time of crisis, were so uplifting at a time of tragedy, and how they had related to the entire Colby family at this time and given them comfort as well as aid.

In addition, the Charles County Communications Department; the Virginia State Marine Police; the Naval Surface Warfare Center EOD dive team and the rescue squad dive team from Dahlgren, VA; and numerous local citizens who volunteered in many, many different ways.

I ask my colleagues to join me today in recognizing the efforts of the paid and volunteer members of this very special community. These individuals engage in hundreds of hours of specialized training and continuing education to enhance life-saving skills, just to be ready for emergency rescue calls and searches. Charles County and other communities across America benefit daily from the services of these dedicated professionals who are ready 24 hours a day, 7 days a week, and they deserve our continued thanks.

Mr. Speaker, I know that you share my pride at the efforts of the volunteer fire and rescue service personnel and other agencies involved in the intense search for Mr. Colby, which lasted more than 7 days.

ADMINISTRATION'S FAILURE TO DEAL EFFECTIVELY WITH INTERNATIONAL HUMAN RIGHTS

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, I rise to speak on the matter of human rights. Perhaps the most basic of these rights is just to be able to exist or to live. And I am compelled to speak on America's role in protecting and promoting these basic rights.

Like it or not, we are the nation to which the world turns for leadership and direction, especially in the area of human rights. Quite frankly, our Government is just not doing a good job here. It isn't measuring up.

The administration has failed to exercise leadership all around the globe in the area of human rights. There has been a total collapse of will, of spine, of backbone in dealing with terrible things happening to people in every corner of the world. Events that we could alter—that we, in the past, have altered—by standing up to tough guy

dictators who treat their own with brutality and terrorism.

I wish it wasn't necessary to talk about this right now because this is the campaign season and honest criticism and frustration are sometimes discounted as just more candidate bashing. But I'm not bashing the administration. I want President Clinton to succeed in promoting human rights. In his State of the Union speech on January 25, 1994, he stood right there and said "as we build a more constructive relationship with China, we must continue to insist on clear signs of improvement in that nation's human rights record." I alone arose from my seat over there to applaud his courageous intentions.

But he didn't follow through. And the men and women in China are worse off today for our failure to lead. Just as the men and women in southern Sudan are worse off, and the Nagorno-Karabach, Turkey, Tibet, Burundi, even Vietnam and elsewhere. But this afternoon, I want to focus on Chechnya, a fractious part of the Russian Federation of States, which I visited last year, and where unbelievably brutal events are unfolding. Chechnya could be the catalyst that results in a Russian Federation dominated by communism again.

It should have been enough to count the dead men, women, and children to see something must be done about Chechnya. But if it were not, it should then be enough to also see the villages and hamlets across the land that have been ravaged. But if that were still not enough add the once thriving capital city of Grozny which has been leveled, where few buildings remain standing; only hollow skeletons amid huge piles of rubble. That scene surely calls for remedy.

To give the administration some credit, perhaps they wanted to do something helpful there. But faulty and sporadic rhetoric have only made things worse. At one point the administration said Chechnya is an internal or civil problem. Russia then took this to mean that we would look the other way while they embarked on an effort to crush Chechnya. When the tragedy of war became too apparent to bear in silence, our Government began to urge President Yeltsin to bring this conflict to an end. Each time a high level delegation from the United States, either the President, Secretary of State or other high official, was scheduled to meet with the Yeltsin government, they would intensify their war effort to crush the Chechens hoping to claim the problem had been solved and peace is being restored even before our Government delegation arrived and could raise the issue.

This cat and mouse brand of diplomacy had the effect of ratcheting up the killing and bombing and shelling. And more Chechens died. But more

Russian soldiers continued to die as well. The Chechens are fierce fighters and good soldiers comfortable in their homeland which they know like the back of their hand. They, too, can be ruthless and are not pushovers. They have taken a grueling toll on the Russian troops. This, coupled with the hemorrhage of rubles to wage this war, the humiliating realization by the Russian people that their army may be only a paper tiger that cannot over-run even tiny Chechnya, and the stingingly negative world opinion showering down on the Yeltsin government, has made this a key issue in the upcoming June elections.

What is at stake in these elections is the soul of Russia. And the major candidates to control its soul are President Boris Yeltsin on one hand and the Communist leaders on the other. President Yeltsin himself has said he may not win re-election if the Chechnya war continues. Let me say that again. The Russian people, tired of and embarrassed by the war in Chechnya, could turn away from President Yeltsin and re-embrace communism as, perhaps, the lesser among evils.

Russia could return to communism as we stand idly, too timid or too confused to force the Chechen issue. Now I absolutely do not suggest this is something which should involve U.S. forces. That would clearly be irresponsible. What we have is two belligerents engaged in a struggle which neither side knows how to end. Like two feuding family members unable and unwilling to stop fighting even when both recognize continuing conflict is worse than any resolution available. Sometimes it takes an outsider to demand a truce. I don't want to trivialize this conflict but it is not unlike two small boys whaling away at one another and both are secretly delighted when someone steps between them.

I have, again and again, written the President and others in his administration—and Mr. Speaker, I ask unanimous consent to insert in the RECORD copies of these letters—urging that our Government offer and encourage both sides, Russian and Chechen, to accept the offer of an American statesman of high stature and achievement to help search for peace. A broker or negotiator or arbitrator—choose a title—but someone with wisdom, experience and diplomacy to help find an accord where neither side is a loser, killing and destruction end and people can begin rebuilding lives. The administration barely even acknowledges my letters, which would be OK if they were pursuing another workable outcome. They are not. They again arrange a high level meeting with the Yeltsin government which spurs the Russians toward a renewed offensive to stamp out the Chechens. More killing and destruction result; time passes; frustration and bitterness grow and the cycle begins anew.

This is not diplomacy. This is not international leadership. This is folly. It seems that our Government is abdicating its role as a world leader. A role no other power can assume. And the void is being filled around the world with brush fires and geographically contained arenas of terror and terrorism.

But the stakes in Chechnya may be higher. Communism might be the winner in this round. And if it is, it will not only be the Russians who are the losers. It will be every free nation and those who thirst for freedom. And surely, America will be among the losers if this happens. And that will be the biggest shame of all because we had, in our grasp, the ability to try to lead the world into a tomorrow of relative peace and tranquility.

Even if a resurgence of communism did not hinge on the resolution of the conflict in Chechnya, and Mr. Speaker, the political picture in Russia is such a tangled web no one could predict with any certainty the outcome at the Russian ballot box on June 16, the administration should still prod the Russian Government into finding peace. Isn't peace and the end of killing and the destruction of a society a worthy goal in itself? Of course it is and it is one our Government ought to resolutely pursue with dispatch. I implore the administration to not let this slip through their fingers.

Mr. Speaker, I include for the RECORD the letters I referred to above. The information referred to follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 26, 1996.

HON. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: The brutal conflict in Chechnya is now in its second month. Gruesome images of the fighting emerge day after day. Thousands of Chechnyans have died in the fighting, including many innocent women and children.

While the U.S. position has been that this is an "internal Russian affair," the American people certainly have an interest in bringing an end to the fighting. Besides the obvious human tragedy occurring as men, women and children continue to die, Russia is a major recipient of U.S. foreign aid. This war is causing many in the Congress to consider whether Russia is deserving of such aid and whether the entire U.S.-Russian relationship should be re-examined, particularly our close ties to President Yeltsin. Continuation of this conflict will have major implications for the future of the Yeltsin government, the Russian economy and Russia's already fragile relationship with its neighbors. I believe our government should use its diplomatic leverage now to help bring peace to the region.

I am writing to propose that you appoint former President George Bush, or possibly former Secretary of State James Baker, as special emissary for this purpose; to go to Moscow, meet with President Yeltsin and other Russian leaders, and present your viewpoint on the importance of quickly ending the Chechnyan conflict. I believe President Bush could be very helpful in ending the fighting and stopping the killing.

Mr. President, I hope you will give careful consideration to this proposal and move quickly in sending an emissary to Russia. Thank you.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 21, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As you know, I traveled to Chechnya in May of last year to view the ravages of war in that part of the world. I have enclosed a copy of my trip report.

It has been frustrating to see this conflict drag on for over a year and the fighting and hostage-taking flare up again in recent weeks. The Russians seem to be getting more militaristic, but I understand that President Yeltsin recently acknowledged the importance of dealing with the conflict before the elections. The U.S. should strongly support President Yeltsin in any of his efforts to bring peaceful resolution to the conflict and, if necessary, serve as the catalyst for peace in the region. Perhaps the U.S. could help bring the sides together or serve as a mediator.

The U.S. should use every opportunity to strongly encourage the Russian government to end this conflict peacefully. It's in the best interest of Russia, and ultimately, the best interest of the United States.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 4, 1996.

Hon. WARREN CHRISTOPHER,
Secretary of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to again raise the tragic situation in Chechnya. Some 40,000 civilians are dead, hundreds of thousands are homeless and, yet, this was not even a topic of discussion during your recent visit to Moscow. Why should the United States step in? Each time a high-level U.S. delegation has visited Moscow, President Yeltsin, seemingly in an attempt to put this issue aside, steps up the intensity of the military action and more Chechen civilians get pummeled.

President Yeltsin now seems to be making efforts to establish peace. He has called a cease-fire and the fighting has died down somewhat. We all hope his efforts are sincere, lasting and fruitful. But like a family trying to work out solutions to irreconcilable problems, sometimes the issues are too difficult to resolve alone. Feelings run too high and past wrongs have seared too vivid a memory to bring about resolution. Families often need to bring in outside help to provide counsel and objectivity, defuse tensions, arbitrate unresolvable differences and provide a fresh outlook. This is a mediation role only the United States can play in resolving this brutal conflict. I ask that you consider offering to both sides the use of a high-level negotiator of unquestionable stature: someone, perhaps, who has held at least a cabinet position in our government.

When I visited Grozny last May, there seemed little of the town left to destroy. Yet reports of death and destruction continue. What can we lose by offering to negotiate between the parties? Things could grow even worse after the June elections if the winner of the presidential race senses a mandate to end the conflict in Chechnya by any means.

I hope the U.S. will lend its weight to seek a speedy resolution. Please consider appointing a high-level negotiator to shuttle between the sides and push for peace. Our neutrality should cease to be indifference and we should use our voice, our experience and our economic power to stridently work for peace in Russia.

It's not too late. But too many have died. I urge you to take decisive action.

Sincerely,

FRANK R. WOLF,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, April 25, 1996.

Hon. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Thank you for your response to my last letter expressing concern over Chechnya. I have been in Chechnya, seen the results of the war, met with the people there and have a sense of their resolve, their bitterness and their anger. They are a hearty, robust and proud people. Chechens are good fighters and will not yield in this situation, not as long as even a few have the means to resist.

I believe more must be done and time is running out. Time has already run out for too many Chechen men, women and children as well as for too many Russian soldiers and their families. Though not intended, each time you meet with President Yeltsin or visit Russia . . . with the purpose of propping him up or lending stature to his presidency . . . the opposite and undesired outcome results. Before your meetings, he tries, once again, to clean up events in Chechnya with a renewed and vigorous military onslaught causing more Chechens and more Russian soldiers to die, and the two sides become even more deeply mired in the conflict. President Yeltsin's attempt to make Chechnya disappear from the radar screen before you meet has the opposite and unwanted result of more killing, more conflict and a diminished way out of this mess. He has apparently even found it necessary to lie to you. According to the enclosed Reuters report, the Russian military attacks which resulted in Dzhokhar Dudayev's death were occurring even as President Yeltsin assured you that he was pursuing a peaceful resolution in Chechnya.

President Yeltsin's history here is one of reacting badly in Chechnya each time you and he are to meet. The outcome inevitably is an even more difficult problem for him and may result in his downfall in the June elections. He may not win reelection without resolving this Chechnya situation.

I agree that our interests and Russia's as well as better served with Mr. Yeltsin as president when compared to other likely candidates. If he loses, Russia and their federation of states will take a giant stride backward. So I believe America must do all it can to bring resolution to the Chechen conflict, for them, certainly, but for us as well.

No one, least of all me, wants US involvement on the ground in that region. But America, as no other, is a respected and trusted force standing for freedom and justice. Our leadership alone can drive a peace solution. As I have asked before, and copies of all my earlier letters on this issue are enclosed to refresh your memory, please offer to President Yeltsin . . . and urge him to accept . . . the appointment of an American of considerable stature to negotiate and to search for a peaceful end to this tragedy in

Chechnya. I know there are many good candidates, perhaps a retired flag or general officer or a statesman on the order of former Secretary Holbrooke.

Mr. President, when I first wrote on this issue, our interest was one of bringing a humanitarian end to a needless war in Chechnya. With the passing of time and evolving political fortunes in Russia, our own national interests could be also affected by fall-out from this matter, especially if it results in the return of communism to Russia. This would be bad for America and for the world.

I believe we must quickly do something here. I respectfully submit these recommendations and will do anything I can to help. If I can persuade you on this matter, I will come over on a moments notice.

Please act, Mr. President. Thank you and best regards.

Sincerely,

FRANK R. WOLF,
Member of Congress.

REPORT: RUSSIAN 'COPTERS ATTACK CHECHEN TOWN

MOSCOW.—Russian helicopter gunships attacked rebel positions in the Chechen town of Shali on Thursday, a day after slain separatist leader Dzhokhar Dudayev was buried.

General Vyacheslav Tikhomirov, commander of Russian forces in Chechnya, told Interfax news agency that the gunships had made two "pinpoint strikes" on guerrilla positions in Shali, about 25 miles southeast of the regional capital Grozny.

The attacks were in response to rebel fighters firing on Wednesday at Russian helicopters which flew over Shali on a reconnaissance mission, he said.

Interfax said civilians had been killed and wounded in the attacks, though it gave no casualty figure.

It said seven people were killed when Russian ground forces opened fire on a civilian convoy trying to flee the town which had been sealed off by Russian troops in six days.

A Shali police official, quoted by Interfax, said the Russian attacks had caused considerable destruction. "People have been killed and wounded," he said.

The renewed Russian air raids followed the death of Dudayev last Sunday in a rocket attack from the air at Gekhi-Chu, about 20 miles south-west of Grozny, as he stood in an open field speaking by satellite telephone.

Dudayev, '52, unchallenged leader of the rebellion against Russian rule, was buried on Wednesday at a secret location in the south of the territory.

Russian military involvement in killing Dudayev, to whom President Boris Yeltsin had offered indirect talks to end the 16-month conflict, was mired in controversy.

Tikhomirov was quoted by Interfax as saying his troops had not conducted any special operation to assassinate Dudayev.

But an Interior Ministry source said on Wednesday he had been killed in retribution for an ambush last week in which Chechen fighters killed up to 90 Russian soldiers.

In a more detailed report, Interfax quoted another source as saying Dudayev had been deliberately targeted by a rocket fired from the air which homed in on him by following the signal of his satellite telephone.

This source said it was the fifth attempt in the past two or three months to destroy Dudayev by this means.

The first four had failed, the source said, because the Chechen leader ended his telephone conversation before the rockets could target him.

Tikhomirov called the report of retribution "madness and an attempt to pass on to the federal troops the blame for a possible disruption of a peace settlement in Chechnya."

He said his forces had stuck to Yeltsin's order to halt military operations and only responded to rebel attacks.

Yeltsin ordered troops into Chechnya in December 1994 to crush its independence drive.

Over 30,000 people, mostly civilians, are believed to have died and Yeltsin is trying to end the conflict to boost his chances of winning a second term as president in a June poll.

He unveiled a peace plan on March 31 which included a halt to Russia's military offensive, partial withdrawal of troops and indirect talks with Dudayev. But the plan allowed "special operations against terrorists."

It was not clear how the killing of Dudayev and his replacement by Zelimkhan Yandarbiyev, a hardline pro-independence ideologist, could affect peace efforts.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, May 7, 1996.

HON. WILLIAM J. CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I am, once again, writing to point out that conditions for the men, women and children in Chechnya continue to deteriorate as hopelessness and hatred battle one another. Did you see the enclosed Washington Times piece reporting the views of Duma Member, Mr. Aoushev, who is also the deputy chairman of their parliament's national security committee? He makes several thoughtful points which should give us pause about a "see nothing—do nothing" policy.

He notes: military action could spread from Chechnya to next door neighbor Ingushetia. Not only would this bring senseless killing, destruction, and misery to a new region that is, today, relatively tranquil, it would deny an existing haven to many Chechens who have fled from the daily terrors of their homeland. When I recently visited that region, I went to an Ingushetian refugee camp for Chechens, mostly women, children and the aged. They do not need another turn in a war zone.

The conflict in Chechnya will not continue at its present level. It cannot get better so it will only become worse. Not only will pain and suffering intensify with continued fighting but the opportunity for reconciliation or consensual peace will recede further into the realm of the improbable.

The Clinton Administration (Mr. Aoushev's term) is ignoring human rights violations by Russian military and has not done enough to use its influence to end the conflict.

I hope you will consider what Mr. Aoushev has to say and I reiterate my earlier and often made suggestion that you should offer to both sides an American negotiator of principle and stature whose task is to urge and prod the parties to this senseless conflict to stop it. How could it hurt? It might help. Continuing to do nothing is to accept or even to encourage more inhumane acts on helpless people.

Please work to stop this senselessness. Thank you for your time.

Sincerely,

FRANK R. WOLF,
Member of Congress.

HONORING MOTHERS AND WOULD-BE MOTHERS ON MOTHER'S DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, on Sunday, we will celebrate Mother's Day.

As a grandmother and mother, each year I look forward to this special day, this honored celebration.

But, Mother's Day is not just about fancy flowers, fruit baskets and pretty greeting cards.

Mother's Day is not about colorful scarves, chocolate candy or an evening out.

Mother's Day is about family and the role of women in the family.

Mother's Day is about respect, dignity and self-esteem—the same qualities that come from having a job, working at a decent and fair wage and making a contribution.

Mother's Day is not only about reverence, but it is also not about ridicule and contempt.

Mothers are ridiculed and held in contempt when women workers are not paid a decent and fair wage and when Congress tries to cut programs for women.

Yet, mothers and would-be-mothers are being ridiculed and held in contempt by a Congress that does not seem to care.

It would appear that our colleagues did not listen or perhaps did not hear during consideration of the fiscal year 1996 budget.

On Medicare, Medicaid, education funding, the earned income tax credit and other areas, they are proposing the same kind of cuts this time that were rejected last time.

Yet, while proposing these cuts—many of which were vetoed by the President—our colleagues on the right want to give tax breaks amounting to \$176 billion, including a capital gains tax cut for the wealthiest Americans.

And, while proposing a tax cut for the wealthy, they are opposing a wage increase for the lowest income workers.

There are 117,000 workers in the State of North Carolina working at or below the Federal minimum wage.

Who are they?

They are primarily adults.

More than 7 out of 10 of all minimum wage workers are adults over the age of 20.

Also, they are primarily women.

More than 6 out of 10 of all minimum-wage workers are female.

And, of great significance to my State, they are primarily from rural communities.

It is twice as likely that a minimum wage worker will be from a rural community than from an urban community.

But, even more disturbingly, as we are poised to pause and celebrate Mother's

Day, almost 4 out of 10 of all minimum wage workers are the sole wage earner in a family.

Single, female heads of households make up a large part of the minimum wage work force.

As a result, 58 percent of all poor children come from families whose parent or parents who work full time.

Twelve million minimum wage workers in America; most of them are women, many with children.

Mother's Day is about food on the table, a roof over one's head, money to pay the doctor and money to get to the doctor's office.

Mother's Day is about a warm place to sleep in winter and a safe place in summer, clean clothing to wear and comfortable shoes with which to walk.

To those who oppose a modest increase in the minimum wage, I would say, if you truly want to honor and pay tribute to mothers, allow them to earn extra pay for a year's work, an amount that you earn in a few days time.

An increase of 90 cents in the minimum wage is an additional \$1800 for a minimum-wage worker. That modest increase could mean a livable wage to those mothers.

A livable wage is the best incentive to encourage work over welfare.

When a woman works, she has self-respect.

When a woman has a job, she has pride.

When a woman earns a wage that allows her to live and to help support her family, she has dignity.

This week, Congress could have made Mother's Day 1996 a day to remember.

Congress could have given millions of America's women the self-respect, pride and dignity they deserve on Mother's day.

Congress could have increased the minimum wage this week.

That's what Mother's Day is about.

On Sunday, we celebrate Mother's Day.

But, Mother's Day is not about honoring women one day out of the year.

Mother's Day is about honoring women 365 days each year.

I invite each of my colleagues to join this grandmother and mother in making sure that we observe Mother's Day, every day.

□ 1430

WHITE HOUSE CLAIM OF EXECUTIVE PRIVILEGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, I rise today with no sense of pride, with actually a sense of trepidation to a certain degree, because I want to talk about something that has been happening and developing over the last year, actually,

which culminated yesterday in a vote in the Committee on Government Reform and Oversight on some of the actions taken by this administration by the committee.

I think the American people need to understand what has happened and why. Yesterday the Committee on Government Reform and Oversight voted out a resolution to hold several high ranking members of this White House in contempt of Congress. This is an action which has happened only a handful of times in this century. I do not think anyone who serves on that committee wanted to see events lead to that.

But I think that the people need to understand and I think the Members need to understand how patient Chairman CLINGER and the committee have been with the administration in terms of getting to the bottom of this matter, and I am referring to the White House Travel Office and the scandal that has surrounded that issue since 6 innocent Federal employees were terminated and ultimately humiliated in public for actions which they were later found to be not guilty of.

The story is a seamy story that involves abuse of power. It probably involves the abuse of the FBI, the IRS, and perhaps even the Justice Department. All we really want to do is get the facts and all of the documents out on the table and try to bring this matter to a final conclusion.

Chairman CLINGER has been after this for over 3 years. In fact, after finally saying that, after hearing again and again that the White House would cooperate, the committee issued a subpoena back in January, and let me just read for you what some of the President's words were and what some of the actions have been. And not only in our words, because I think now that folks on the other side of the aisle are framing this only as a partisan political witchhunt. Frankly, I think most of us would have preferred to have this whole matter put behind us many months ago.

But early on in this investigation the President said, and I quote, "the Attorney General is in the process of reviewing any matters related to the travel office and you can be assured that the Attorney General will have the administration's full cooperation in investigating those matters which the department wishes to review."

That is a letter that the President sent to the former chairman of the Government Operations Committee. Here is what he said just this year in January, January 12, 1996, he said, and I quote, "We have told everybody, we are in the cooperation business. That is what we want to do. We want to get this over with."

That is what the President said in January. But I think people need to compare that with what has actually happened. Not what I am saying, not

what Republican staffers are saying, but, for example, here is what Nancy Kingsbury of the General Accounting Office said, July 2, 1993, when she testified before our committee. She said, and I quote "As a practical matter, we depend on and usually receive the candor and cooperation of agency officials and other important parties and have access to all their records. In candor, I can't say that there was quite the generous outpouring of cooperation in this case as might have been desirable."

Let me just read a quote from Michael Shaheen, who heads the Office of Professional Responsibility for the President's own Justice Department, when he learned that there was a notebook that had been concealed for over 2 years that Vince Foster had put together that had extensive notes on the whole White House travel office affair. This is what Mr. Shaheen said, and I quote, "We were stunned to learn of the existence of this document since it so obviously bears directly upon the inquiry we were directed to undertake in late July and August of 1993. We believe that our repeated requests to the White House personnel and counsel for any information that could shed light on Mr. Foster's statement regarding the FBI clearly covered the notebook and that even a minimum level of cooperation by the White House should have resulted in its disclosure to us at the outset of our investigation."

Again, that is not a Republican staffer saying that. That is somebody from Clinton's own Justice Department.

Later on one of the other officials that testified before us, Jack Keeney, who is reporting to the Acting Criminal Division Director, he said, and I quote, "At this point we are not confident that the White House has produced to us all the documents in its possession relating to the Thomason allegations. The White House's incomplete production greatly concerns us because the integrity of our review is entirely dependent upon our securing all relevant documents."

Mr. Speaker, let me close by saying this: Seldom in the course of American history have so many in the White House done so much to provide so little. Sunshine is the best antiseptic. Let us get all the documents on the table and let us get this matter behind us.

BUSINESS AS USUAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BENTSEN] is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, I took this time today in part as a point of personal privilege. Earlier today, while I was with some students from Crafton Academy, which is in my district in Houston, having taken them to the Senate Chamber and then to the House Chamber and then to Statutory Hall

and walking out, our colleague, the gentleman from Pennsylvania [Mr. WALKER], felt the need to take the floor and seek to smear the reputation of eight of the other Members of this body, myself included.

Mr. Speaker, I assume Mr. WALKER was attempting to infer that somehow Democratic freshmen sought to hide links to organized crime and organized labor because of contributions we may have received from members of labor unions or, worse, to try and tie the members themselves to organized crime.

Of course, both are incorrect. But a more troubling problem exists.

This all started last week when the eight Democratic freshmen brought to light a memorandum dated April 23 from Mr. WALKER and the gentleman from Iowa, Mr. NUSSLE, who is part of the Republican leadership, asking committees to use official time to root out information on the Clinton administration on labor union bosses and corruption in order to expose anecdotes that amplify these areas so that these could be used for political purposes.

First, the memo which Mr. WALKER authored, along with Mr. NUSSLE, would appear to constitute a violation of House rules prohibiting the use of taxpayer resources for political purposes. Let me quote from the House ethics manual, which says, under campaign activity by House employees, chapter 5, page 201, "no campaign activities should be performed in a manner that utilizes any official resources."

Of course, all of us agree that our committees should be looking for fraud, waste, and abuse. They should not have to be told to do that. That is a charge of the committees. But it appears that the Republican leadership now wants to use them for political purposes.

I suppose that we can investigate Mr. WALKER's contributions over his long tenure in the House and fabricate all sorts of false accusations and inferences if we wished to do that.

Unfortunately, Mr. Speaker, we see a continuing pattern on the part of the Republican majority, the Republican leadership who so fervently disavowed the business as usual practices of the past 40 years with their so-called Contract With America. Now they seem intent upon engaging in such behavior. Mr. WALKER seeks to evade his potential infraction by engaging in a smear of his detractors.

Our majority leader, the gentleman from Texas [Mr. ARMEY], told the Houston Chronicle that the freshman Democrats who called this behavior into question overreached and simply do not understand how things work up here. Today we read that the gentleman from Ohio [Mr. BOEHNER], chairman of the House Republican Conference, was handing out checks from

tobacco PAC's. I do not care what kind of PAC's they are, whether they are tobacco PAC's or labor PAC's, but was handing out checks from tobacco PAC's to Republican Members on the floor of this the people's House. It was reported that one Republican member stated that, "If it is not illegal, it should be." And it should.

Mr. Speaker, The Houston Chronicle summed up this problem correctly in an editorial this week entitled "Politics as Usual" where it stated, "the voters did not hand control of the Congress to the Republicans so they could engage in the sins of their predecessors."

I believe they are right on mark with that.

Mr. Speaker, the other problem that exists today and is underscored by Mr. WALKER's actions is the increasing lack of comity and decorum among Members of the House. History tells us that at one time it was the greatest dishonor to insult another Member on the floor of the House. But today it has become all too commonplace.

Mr. Speaker, I find it hard to believe that Mr. WALKER believes in a society where one is judged not by their ability to work together and get along but, rather, to attack and tear down and smear your rivals where any means justifies the ends.

I came from business, from the private sector, unlike many of my colleagues on both sides of the aisle. I relish competition and a good fight, but I respect my competitors. I am not so sure that this House wants to follow such practices anymore.

Mr. WALKER should review again our letter and the comments that we made to the press. We did not ask for an investigation. We just said, stop it. Apologize. Pay back the taxpayers if you used any of their money. But most of all, follow the rules.

We teach our children, do unto others as you would do unto them. That is how I raised my children. That is how I was raised. Perhaps that is how this House ought to operate so we can get back some decorum and comity and get away from the slash and burn politics which is destroying it.

BABE DAVIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, one of the true benefits and best parts about serving in public office is getting to know so many people.

The constituents in Georgia's First Congressional district are an outstanding example of great Americans who have made this Nation the wonderful country that it is. One of the examples is Mr. Babe Davis. He's a friend of mine, a Georgia hero, and truly a great American.

In 1940, Woodrow Wilson "Babe" Davis, a resident of Odum, GA, gave up professional baseball, but to this day, baseball fans haven't forgotten about him. In the late 1930's, Davis pitched to Lou Gehrig and Joe DiMaggio, yet in 1996, he still receives up to 5 or 6 autograph requests a week.

Davis says he got his start in baseball by throwing sticks and corn cobs as a small child. When he was in grade school he would always carry his glove and a ball and bat with him wherever he went. One teacher commented that she saw him carrying his gear so much that she was going to start calling him "Babe" after Babe Ruth. She did and the name stuck.

Davis received a baseball scholarship to attend Brewton-Parker Institute before he had completed the 11th grade and following his success pitching at Nicholls High School. He struck out 23 batters in one game at Brewton-Parker.

Davis signed his first professional contract with the Cleveland Indians in 1934, making \$250 per month for their farm team. During his 7-year professional baseball career, the Cincinnati Redlegs and the Toronto Maple Leafs picked up his contract.

Davis' career began to wind down when he injured his arm during a one-hitter he pitched for Toronto against Rochester in 1937. After playing for teams in Jacksonville, FL, and Valdosta, GA, Davis gave up the game for good. While starting another career with the Georgia Department of Revenue, Davis kept his love for the game alive. For the last 25 years, he has been spearheading "Babe's Mighty Mites," a children's baseball instructional program that touches the lives of 320 youngsters in Odum.

Babe Davis epitomizes the love and dedication of the people of the First District of Georgia. We are all proud to have him as a neighbor and a friend. He crossed paths with some of baseball's all-time greats. And while his professional baseball career may have been short-lived, Davis' enthusiasm for the sport has not. Just ask 320 children in Odum, GA.

PRESIDENT REAGAN COMMANDS US—REMEMBER OUR HEROES, REMEMBER OUR PAST

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, today is my, one of my brother's birthdays, May 10. He has two sons out of five sons currently on active duty. One is an intelligence officer with the Forth Fighter Wing, one of the world's greatest fighter wings flying the F-15E Strike Eagle. He is their intelligence officer, just back from Saudi Arabia for the second time.

The other son is over in the Pentagon, Don, Jr., the other one is Matthew. Another name, MacArthur, after General MacArthur. And the older brother of the two is Don Dornan, Jr., a lieutenant commander over in the

Pentagon. Important job over there. Had over 30, 35 missions in the Gulf as an AWACS controller on an E-2 Hawkeye with the Sundowners.

Mr. Speaker, this is the 51st anniversary plus 2 days of the end of the war in Europe, the great crusade, as General, soon-to-be-President, Eisenhower said, that began with some commando raids across the beaches of Hitler's Fortress Europe and then, with the great Normandy invasion, proceeded inland and with amazing speed and great loss of life on all sides brought freedom to Europe. And 99 days later in the mid of August, 1945, the Japanese warlords conceded defeat and we had a cease-fire with a total, unconditional surrender of all of the Axis forces on the deck of the U.S.S. *Missouri*. Clinton had the wrong end of the ship when he talked about it on the anniversary in Hawaii.

□ 1445

But I grew up, as did my older brother, Don, and my younger brother, Dick, who is a high school teacher for 30 years, in what President Reagan called "a very different America than today." In a 1-minute speech a little while ago I said that I was going to pay tribute to a living legend in the United States Navy, 55 years on active duty. He only retired in 1989. I had the honor of spending some wonderful moments with him at Normandy, which I spoke about on this House floor. Adm. John D. Bulkeley told me to go out into the beautiful Coeur de Vie Sur Mer Cemetery on the bluffs above bloody Omaha Beach. Those bluffs were themselves drenched in the blood of our young Americans as they fought their way over the edge of the cliffs and across the fields of France into the hedgerows of Normandy. And Admiral Bulkeley, who passed on a few weeks ago, told me, "Go out and find the graves, Congressman, of the Roosevelt brothers, young Quentin, who died at 20 in World War I, when his airplane was shot down, and his older brother, who died 26 years later, winning the Medal of Honor on D-day plus 36, won the Medal of Honor for his courage and intrepidity on D-day itself and a few days following, and he died with his enlisted men in their chow line on D-Day plus 36, Teddy Roosevelt, Jr." Also, two sons on active duty out of five sons, like my older brother, Don.

And, if you are watching, happy birthday, Don.

This gentleman, called the Seawolf, will consume most of my 1-hour special order today, a tribute to Admiral Bulkeley, Medal of Honor winner, Distinguished Service Cross holder, Navy Cross holder, Purple Hearts and every decoration that a warrior could ever get from not just his own beloved naval service but from the other services, including the then Army Air Corps, Air Force, Air Corps when they only had 6

PT boats in the Philippines and 6 beat-up P-40 fighters.

Now I want to do a prologue to Admiral Bulkeley. Out of the mouth of one of my heroes as a President, modern hero Ronald Reagan, to set this up, I understand with some good fortune, certainly by videotape, Mr. Speaker, that Admiral Bulkeley's older son, John Jr., may be watching, a great organist, played the organ at his father's funeral, that his next son, Peter, may be watching, who is an active-duty Navy captain, also assigned to the Pentagon, like my nephew, Don, and that the three wonderful sisters may be watching: the oldest, Joan, I got to know at Normandy, was with her dad; the other two sisters I got to know at their dad's beautiful funeral and reception a week ago last Friday.

I want to do this tribute to him because President Reagan told me to do this. He did not tell me specifically about Admiral Bulkeley, but he told me to do it specifically about Jimmy Doolittle, another flag officer, three-star general, and I did it, and I did more than one for General Doolittle, and I had the honor of knowing him personally.

As I laid in ambush once in the lobby of the Waldorf Astoria Hotel, where General MacArthur lived out his last years, and had the opportunity of approaching him slowly and respectfully so that no Secret Service, whatever protection he had, and I did not see any, would think it was someone making an unkind advance on him or had the honor of shaking his hand. I had the honor of going to his funeral, going down in April of 1964 to the then brandnew Douglas MacArthur Museum down in Norfolk, the old city hall building. It was the only town that that Army brat, son of another Medal of Honor winner, General Arthur MacArthur, could figure out was his hometown.

His father, a Medal of Honor winner, Douglas MacArthur a Medal of Honor winner, Admiral Bulkeley, a Medal of Honor winner. When I went to Admiral Bulkeley's funeral, I sat next to two Medal of Honor winners. I am going to do a tribute to them, tribute to both of them, from the Vietnam war, one Army, one Marine.

Remember that President Harry Truman, served many years in the Senate, said he would rather have the Medal of Honor than be President of the United States.

So here is the prologue, why I am doing this tribute to John Bulkeley, who at one time was called the wild man of the Philippines, and for his family and my family and for another special person watching who works with us here on the Hill. Mr. Speaker, our colleague from Florida, CLAY SHAW, has working for him as one of his legislative assistants the son of one of the six PT boat skippers that were

under Lieutenant John Bulkeley. He was the squadron commander, a reduced squadron of only six PT boats (and most people only know about PT boats from John F. Kennedy's Navy cross incident, where he was hit in the middle of the night by a Japanese destroyer, never even knew what hit him) a crew of 13, an enlarged crew, two men were killed.

Kennedy was never proud of losing his boat on his very first mission, almost his only mission, but he certainly performed heroically as a good swimmer to save one of the men who was unconscious and badly burned.

But that is what most Americans know about PT boats. They do not know about heroes in Manila or off the Normandy coast or along the New Guinea northern coast, or up in the straits at the battle of Leyte Gulf. They know nothing about the PT boat commanders who had hundreds of missions, lost boats and did not have a severe back injury like Kennedy, who were able to come back.

But here on this Hill, which shows how closely connected to history we are, is the son, George Cox Jr., of the commander of the actual PT boat that took MacArthur off Corregidor. For the man who was actually at the helm, it was his boat, Ensign George Cox, not too young an ensign, about 25 or 26 years old. Had George Jr., the third brother like my family, three brothers, late in life, (lucky guy to have a son that young when he passed on a few years ago) but George Cox, Jr. serves on this Hill, and his dad was the skipper of PT-41, with the squadron commander, Admiral Bulkeley, Medal of Honor winner. Of course, George's dad, George Cox Sr., got the Navy Cross. They got and attempted to give him a Medal of Honor, too, along with his squadron commander.

Now, here is how Ronald Reagan told me and all of us to do this type of tribute on the House floor. And I would hope that you are a school child and you are having a bowl of cereal at 3 o'clock, or you are home early, or sick if it is in Chicago or two o'clock, or Denver and one o'clock in the afternoon; in L.A., it is coming up on noon. Some people may be home for lunch, particularly schoolchildren. Stay with me here for a minute. I may even bring tears to your eyes. I know I choke myself up every time I read Reagan's words. If you are out in Hawaii, it is only 10 o'clock in the morning. Be a few minutes late for work. President Reagan would tell you to stay. He would tell me to order you to stay and listen to this tribute.

Here is one of the best speeches I have ever heard in my life by anybody, right up there with John F. Kennedy's stirring January 20, 1961, speech. Reagan's is a winter speech, January 11, 1989; so that is 28 years after Kennedy. It was Reagan's farewell address to the

Nation. It is what I call the "Freedom Man" speech because in his opening paragraphs he talked beautifully about American ships rescuing pathetic boat people who we had deserted in this struggle for freedom in Indochina. Talked about a carrier up on the Midway, one of the lower decks, and a man on the choppy seas spying this one sailor on the decks staring down at him. He stood up and pointed to the sailor. In broken English he said, "Hello, American sailor. Hello, freedom man." So that is why I call it the "Freedom Man" speech.

Reagan says in the early moments of this speech, delivered 9 days before George Bush's inaugural speech, he first talked about the economy a little bit, says that a lot of his ideas were called "radical," and he said that they were sometimes called dangerous, but he feels they were desperately needed, and then I start quoting Reagan directly. He says:

In all of that time I want a nickname.

Over those 8 years, he means.

The great communicator. But I never thought it was my style or the words I used that made a difference. I believe it was the content. I was not a great communicator. But I communicated great things, and they did not spring full-blown from my brow. They came from the heart of a great Nation, from our experience, our wisdom, our belief in the principles that have guided us for over two centuries. They called it the Reagan revolution. Well, I will accept that. But for me it always seemed more like the great discovery, a rediscovery of our values and our common sense.

It just keeps getting better, page after page. I was glued to the TV. You did not have to be Irish on both sides like me to shed tears. And I still, being an Irishman, choke myself up when I read his close, and I learned a lesson a few tragic months ago, back in November, from a little 17-year-old child.

There is a lot of young people in the gallery now, and I will pass on this advice to them, Mr. Speaker, from young Noah, the granddaughter of the assassinated, the martyred, Jacob Yitzhak Rabin of Israel. When I watch her delivering a eulogy in front of many leaders of the world, including Mr. Clinton, on the evening news, and forgot about all the trained politicians and eloquent speakers, and the news focused on young Noah, freckle face, going into the service, wearing the uniform where her dad had been the commander and then the minister of defense, prime minister, president, everything. I watched her at the funeral looking at her grandfather's grave, fighting back tears, breaking down crying. I watched this 17-year-old. I thought of my 10 grandchildren. The oldest is 15, almost 15. I knew that some of them could not do this. I said how is she going to get through this? And she taught this old communicator a trick. Every time she choked herself up, she would stop and take a big, quick, deep breath, and then she was able to go right on.

So I am going to follow that example of young 17-year-old Noah, because this always chokes me up.

President Reagan said in his final message to the American people, those of us who are over 35 or so years of age and who grew up in a different America. We were taught very directly what it means to be an American, and we absorbed, almost in the air, a love of country and an appreciation of its institutions. If you did not get these things from your family, you got them from the neighborhood, or from the father down the street who fought in Korea. And, Mr. Speaker, a week ago this afternoon I was up at the University of Maryland, where they have given a huge piece of their beautiful real estate to the National Archives, the extension of our great Archives Building on Constitution Avenue, and I looked at film for hours of captured young American men, some of them boys, from Korea in 1950 and 1951, a terrible forgotten war with a beautiful memorial down near the Lincoln Memorial, a war where we left thousands of unaccounted-for men and 389 men known alive.

God bless Ronald Reagan in his final words for talking about that father down the street who fought or maybe disappeared or was left behind alive in vicious communist captivity in Korea.

□ 1500

Reagan continues: "Or the family who lost someone at Anzio, where we were trapped in 1944 and could not break out in that rough Italian winter of 1943-1944. Or you could get a sense of patriotism from school, or if all else failed, you could get a sense of patriotism from popular culture. The movies celebrated democratic values and implicitly reinforced the idea that America was special." Early TV was like that, too, up through the mid 1960's, the beginning of the so-called sexual revolution.

More great paragraphs I have to skip over. Young students must get this speech. They must read it slowly in its fulsome patriotic impact.

I jump forward. President Reagan says: "So we've got to teach history based not on what is in fashion, but on what is important: why the pilgrims came here, who Jimmy Doolittle was." There is his order to me to do a tribute to General Jimmy Doolittle. And who knows "30 Seconds Over Tokyo"? How many young people in the gallery tonight, Mr. Speaker, know what "30 Seconds over Tokyo" means, unless they saw Spencer Tracy and Van Johnson on the late show last night or last year?

"You know," Reagan continues, "4 years ago, on the 40th anniversary of D-Day", and we are coming up soon on the 52d anniversary, "I read a letter from a young woman writing to her late father, who had fought on Omaha

Beach," bloody Omaha. "Her name was Lisa Zanatta Henn." She said, and this is Reagan quoting Lisa, "We will always remember Dad. We will never forget what the boys," men, "of Normandy did." That includes John Bulkeley, Commander than. "We will never forget what the men of Normandy did."

"Well," President Reagan continues, "Let's help her keep her word. If we forget what they did, what we did, we won't know who we are. I'm warning of an eradication of the American memory that could result ultimately in an erosion of the American spirit." Hear President Reagan's words, Mr. Speaker, an erosion of the American spirit.

I have before me the remarks of Billy Graham in the Rotunda when this Congress, House and Senate, in joint resolution, gave him the Congressional Gold Medal. In his speech on the second page, and it is in today's RECORD for May 9, yesterday, I put it in the RECORD, read Billy Graham's speech. It should be taught in every school. On page 2 he says, "We are a society poised on the brink of self-destruction." That is the Reverend Billy Graham, who has given half a century to spreading the word of our Savior, the Son of Man.

We are poised on the brink of self-destruction. Mr. Speaker, you and I know he is not talking about the gas tax, whether to repeal it or not, or how many B-2 spirit bombers we are going to build. He is talking about the social issues that we will be discussing on the defense authorization bill next Wednesday. He is talking about what this era is doing to these children up here in the gallery, tearing their innocence away from them. Read Billy Graham's words and weep.

I come back to Reagan: "An erosion of the American spirit. Let's start with some basics: more attention to American history and a greater emphasis on civic ritual. Let me offer lesson No. 1 about our America: All great change in America begins at the dinner table."

Or the luncheon table in Hawaii or California, at this moment. "So tomorrow night in the kitchen, I hope the talking begins. And children, if your parents haven't been teaching you what it means to be an American, let them know, and nail them on it. That would be a very American thing to do."

There are orders from the "Great Communicator" for you young people to tell your parents to teach you about American history and what makes this great nation different than any other Nation extant now or in the history of mankind.

"That is about all I have to say tonight," Reagan says, "except for one thing. The past few days when I have been at that window upstairs, I thought a bit of that shining city upon a hill," the phrase from John Winthrop, first Governor of Massachusetts, his son first Governor of Connecticut.

Winthrop wrote to describe the America he imagined. What he imagined was important because he was an early pilgrim, an early freedom man. He journeyed here on what today we would call a little wooden boat, kind of like a PT boat. Like the other pilgrims, he was looking for a home that would be free. "I've spoken of the shining city all my political life, but I don't know if I ever quite communicated what I saw when I said it. In my mind, it was a tall, proud city, built on rocks stronger than the oceans, windswept, God-blessed, and teeming with people of all kinds living in harmony and peace, a city with free ports." I wish all our presidential candidates had remembered this, "that hummed with commerce and creativity. And if there have to be city walls, the walls had doors, and the doors were open to anyone with the will and the heart to get here. That is how I saw it, and see it still."

Out of respect to Admiral Bulkeley, I must jump forward to the close, and skip over more powerful, moving words. Ronald Reagan says, "We have done our part. As I walk off into the city streets," to fight a tough disease, he didn't say that, I did, "a final word to the men and women of the Reagan revolution, the men and women across America who for 8 years did the work that brought America back." Admiral Bulkeley told me he heard one of my special orders talking about this. I hope he is watching from heaven.

"My friends," Reagan says, "we did it. We weren't just marking time. We made a difference. We made the city stronger. We made the city freer. We left her in good hands," and he meant Navy carrier attack pilot with 58 combat missions at 20 years of age, George Bush; we left it in good hands. "All in all, not bad. Not bad at all."

Well, you can tell Dutch Reagan, Mr. Speaker, we are blowing it here. We are blowing the Reagan revolution, because we are not listening to Billy Graham. Not everything is the bottom line. I am tired of Republicans turning on one another and forgetting the legacy that we have here in Reagan and Bush, bringing this city back to a city of honor and character, character like Jimmy Doolittle and John Bulkeley.

I said to Admiral Bulkeley on D-day, "Tell me Clinton didn't take that wreath away from you and throw it in the channel, since you were picked to represent all the men who died at sea, trying to put the young men on the beach." I said, "Hillary was going to be given that honor, and taken away from you. Tell me it didn't happen, Admiral".

He says, "Well, we both held onto it, Mr. Clinton and myself, but I threw it in, and God knows about those things. God can sort that out." Get the CONGRESSIONAL RECORD, my friends, my colleagues, people listening across

America, yesterday, Billy Graham's words. In there you will see two other Dornan inserts.

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore. The Chair must remind all Members that remarks in debate must be addressed to the Chair and not to an audience that may be viewing the proceedings on television or in the gallery.

Mr. DORNAN. Mr. Speaker, tell everybody, tell your friends, tell everybody from sea to shining sea, Mr. Speaker, to get yesterday's RECORD. Also, there are two other Dornan inserts in there. One is an interview with Dr. Geoffrey Satinover, a psychiatrist, an M.D., Jewish heritage, convert to Catholic Christianity, at one time head of the Carl Jung Foundation. He talks about the horror, terror of young people having homosexuality glorified to them.

Then there is another article in here about the debauchery at one of our Federal buildings down the street; a pretty good RECORD to have, Mr. Speaker, from the 9th.

Now I come to this incredible American, this Medal of Honor legend, John Bulkeley. If you are looking for those patriotic films that Ronald Reagan spoke about, look for this one with Robert Montgomery and John Wayne. John Wayne was not yet the top billing in the early 1940's; "They Were Expendable," from this book. I had this book and lost it when my family moved in 1943 to New York. It is a 1942 book. I am handling it gently because it is from the treasured collection of George Cox, Jr. "They were expendable." It is an easy-to-read book, double-spaced. I read it all the way through last night and went to bed about 4 a.m. It just brought back all my childhood memories.

At age 9, right after Bataan, Corregidor, fighting in the North African desert, I read this late in that year, and I will get it back to our Hill legislative assistant, Mr. Cox, in good shape for his dad. He told me his dad never spoke of his heroic exploits in the Pacific.

When Admiral Bulkeley was alive and among us, after he had been down in the George Washington crypt area in the bottom floor, Donn Anderson, the wonderful Clerk of the House when the Democrats were in the majority, set up with a lot of hard work and some small support from me, the Medal of Honor tribute, with the original Medal of Honor given to young Jacob Parrott for an amazing behind-the-lines special operations, Seal-type advanced air insert team-type mission today, a real Delta Force Army Ranger mission behind the lines of the confederacy, stealing a train; half of them, all of them were captured, half executed. The lead-

ing officer was executed. Five were transferred. In the White House, Lincoln gave them the Medal of Honor and the Jacob Parrott medal held in his family for over a century and a third. He, the family, gives it to us, and it is down there. You can see it right now. I hope, Mr. Speaker, people visiting Capitol Hill will go look at it.

So Admiral Bulkeley was down there as the recipient. He is just an incredible person. I told him I wanted to bring him over here to lunch to meet the new freshmen. Why do we always keep those promises to ourselves? He is gone now, but not his memory. So the freshmen never had lunch with him. I was having a big PT boat made, a model boat, George Cox's boat, PT-41. It got delayed. I just wanted to have Admiral Bulkeley sign the deck, so I will have George, Junior, sign the deck.

But I have read this chapter from "Devil Boats." George brought this by my office. I do have two of these, one in California, one here, "Devil Boats," the PT war against the Japanese. Just a short mention of all the great PT work Bulkeley did off the Normandy coast. Here is what I read 2 years ago with Admiral Bulkeley watching on C-Span, Mr. Speaker.

"The Wild Man of the Philippines" is chapter 3 of "Devil Boats." When Lt. John Bulkeley reported to his Corregidor headquarters, still designated grandly as 16th Naval District, on January 18, 1942, he was handed a tersely written order by Capt. Herbert Ray, Adm. Rockwell's chief of staff: Army reports four enemy ships in or lying off Port Benonga. Force may include one destroyer, one large transport, filled with soldiers. Send two boats, attack between dusk and dawn. Returning to their base, the PT boat base at Sisiman Cove, Bulkeley began preparing for the night's mission.

By now his daring, his courage, his seemingly unlimited supply of nervous energy, and his swashbuckling exploits had gained him a widely known nickname: "Wild Man of the Philippines." A striking physical appearance strengthened that label. He looked like—and before I read this, his big picture at his funeral of his Annapolis graduation picture the year I was born, 1933, was handsomer than any of these little teenage heartthrobs today, Rob Lowe, Tom Cruise, Brad Pitt. None of them were as handsome as he when he was not commissioned in Annapolis, but told to wait a year, Congress has given us no money, we will pick you up later. He went to pilot training and they ran out of money. He had a few wired-together biplanes. He ended up this hero in the Philippines.

Here is his description, this handsome young man, a few years later, just turned 30 years of age. "A striking physical appearance strengthened the label Wild Man of the Philippines. He

looked like a cross between a blood-thirsty buccaneer and a shipwrecked survivor just rescued from months spent marooned on a desolate island. His shirt and trousers were soiled, wrinkled, and torn. He wore a long, black, unruly beard and his green eyes were bloodshot and red-rimmed from endless nights without sleep while out patrolling the coasts in the PT boats. On each hip he carried a menacing pistol, and he clutched a tommygun in a manner that caused others to believe he was itching to locate a Japanese to use it on."

Bulkeley indeed was a wild man, a wild man on his way to a Medal of Honor. "For that night's raid he selected PT 31, skippered by Ed Billong, and PT 34's temporary captain was Ensign Baron Chandler. These men knew they were expendable. He was pinching for Bob Kelly." That is the one whom John Wayne played in the movie.

It goes on with the most desperate fight of the coast, with him jumping on a Japanese barge, picking up all these oil- and blood- and water-soaked documents, bringing them back, because he had done intelligence work in his twenties for the Navy. He brings them back to MacArthur's command headquarters, and it is Japanese invasion plans to ironically run a MacArthur Korean-type Inchon amphibious landing around behind our forces, the way MacArthur got behind the Korean Communist forces, and land behind our men at Bataan, and the whole thing would have collapsed in January or February, instead of tragically on April 9, 1942, with the Bataan Death March.

□ 1515

Fast forward, and why funerals sometimes are uplifting experiences, besides all the beautiful patriotism and seeing his lovely two sons and three daughters and his grandkids, one of whom gave a beautiful eulogy, exactly like Noah to her grandpa, Yitzhak Rabin.

At the funeral afterward at the hotel near Arlington Cemetery, I bump into his helmsman when he commanded a destroyer, the *Endicott*. I met his helmsman. That would be August 1944, off the southern coast of France. That is 52 years later, so Joe Cain was 52 plus whatever he was as a young sailor.

He told me that Admiral Bulkeley, then a commander, kept those same guns on a cowboy belt, two pearl-handled Peacemakers, Colt Peacemakers. He kept them on his commander's chair on the bridge of the destroyer. When he was out, Joe Cain, turning into a 23-year-old right before my eyes, said:

"Congressman, we would take those guns off his chair and put them on and we would try fast drawing and somebody would say, 'The skipper's coming' and we would quickly get them back.

He would walk in, and he knew everybody's name and nickname.

"He said to me, 'Cain, you going on shore the next liberty?'"

"Yes, sir, I am, Skipper."

"Not with those sideburns, you're not."

A stickler for good appearance, in spite of his desperate early days. Beloved by his men. Then I heard this story, both in his son's eulogy and from the very eyewitnesses from the crew of the destroyer *Endicott*, Operation Dragon off the coast.

He said that none other than Douglas Fairbanks, Jr., one of my boyhood heroes from "DAWN PATROL" and "GUNGA DIN," is an American naval officer with the British. He was always an Anglophile with an affected British accent but Hollywood-born.

Doug Fairbanks, Jr., is on a British barge that is shelling the cost. Gunships, they call them. Gun barges.

He called, "German E-boats are here after us. Help us." He actually said, "For God's sake help us."

Here comes Bulkeley to the rescue and the *Endicott*. All Bulkeley's big guns, the 5-inchers, were burned up from shelling the French coast all night covering Audie Murphy and the 3d Division and our men landing in southern France in August to relieve the men fighting their way through the hedgerows up north from the Normandy invasion. All their guns were burned up. All they had was a 20-millimeter small cannon.

They have a gun duel with these two German E-boats, Corvettes, right there and sink them both. The crews jump off and they pick up both the German commanders. He brings one of the German skippers up on the deck and Bulkeley from up on the bridge says, "Salute the colors," a naval tradition. The German officer says, "Nein." They both spoke English so he probably said, "Hell, no."

Bulkeley says, "Throw him back in." They pitched him over the side into the water.

The German starts pleading, "Bitte, bitte." "Okay." They bring him up.

"Salute the flag." "Nein," the German said.

"Throw him over again. Get set to get underway." Back the German goes in the water.

I said, "Joe, I have never even seen anything better than this in a movie. It didn't happen a third time, did it?"

He said, "It could have."

They finally dragged him up, on the deck again. He was properly chastised and humbled. He saluted. Not a Hitler salute. Their navy were not all Hitlerites. A salute to our salute, the U.S. Old Glory flying over the *Endicott*.

Then he took the two German commanders into a room, and he got two of his young kids from the Bronx, both Jewish in heritage, and Cain remembered their names. "Gottlieb," he said,

and either "Rosenberg" or "Rosenstein," and he gave his two young Jewish sailors submachine guns, Thompsons.

Bulkeley says, "You understand English, right?" These two guys are from the Bronx, or Brooklyn, and they are kind of proud of their Jewish heritage. "Don't move or you'll be sorry." And he left these two young Jewish American sailors with their Thompsons on him.

Now to the eulogies.

I hope I can get through all this. If I cannot, Mr. Speaker, I want young people and not so young people to get this special order so they get the full eulogy of son/active-duty Capt. Peter Bulkeley, and a CNO who from the ranks as a 16 or 17-year-old seaman, Admiral Boorda. Adm. John M. Boorda, Chief of Naval Operations, senior ranking naval officer on active duty.

His remarks made on April 19, Patriot's Day, he was the highest-ranking person there. They brought me forward, I kind of slipped in the back; somebody recognized me, and asked me to come forward.

No, I will stay back here. No, come forward.

Here is a row for Cabinet officers. Empty. High-ranking administration people, active-duty military over here. Here is a row for Congressmen or Senators, empty, empty, empty. No Medal of Honor winner from the Senate. No Navy Cross winners from the Senate. No former Secretary of the Navy; from the Senate, no Senators.

Some people in the House felt bad there were not enough people at Ron Brown's funeral. I wanted to go to Ron Brown's funeral. I was caught in California. Ron Brown hosted me at Patton's grave as the only Congressman or Senator who showed up December 16 in Europe for the 50th anniversary of the Battle of the Bulge. I do not know what is wrong with this Chamber and the other body that we did not have tributes all during World War II to a not particularly memorable day in October. We had great World War II heroes, SONNY MONTGOMERY, 101st Airborne paratrooper SAM GIBBONS and HENRY HYDE on our side. Just a few World War II guys said wonderful things one day but nothing from Pearl Harbor, to that day in October, after the 50th anniversary of the end of the war. I just do not understand why people are not listening to what Reagan said.

So Admiral Boorda begins his remarks, "You may cast off when ready, Johnny." Those were MacArthur's words to Squadron Commander Bulkeley. I am sure Bulkeley, as I discussed with George Jr., turned to Ensign Cox and said, "George, let's move it out of here. Anchors aweigh."

Admiral Boorda began.

"Will Rogers said that we can't all be heroes."

By the way, he beautifully delivered this, Mr. Speaker. "Some of us have to stand on the curb and clap as they go by." Or salute.

"When he made that statement, Will Rogers could only have had one type of person in mind, John Bulkeley."

"We gather here today." This is the new chapel at Fort Myer, in this place, on the bluff above Arlington.

"In this place meant for heroes and applaud a true American hero as he passes by. And we come together here as the rest of America stands up and cheers for a man who symbolizes the very best about our Nation. While we are saddened to no longer have the great John Bulkeley with us, it is not a day of sorrow. He would not have liked or allowed that. Today is a day meant to remember, to give thanks."

He goes on with page after page telling about his early years in the Navy, the film, *They Were Expendable*, America's sweetheart, Donna Reed. Do not forget Eisenhower's communications coach, Robert Montgomery. But most of all it was a great story about unbelievable courage and sacrifice.

He talked about how Admiral Bulkeley was famous in the end of that great 55-year legendary career for memos. He would send a one-paragraph memo, sign it and put a P.S. that would go on for pages and pages and he always ended, and I would like to end this speech in advance this way, "Just thought you'd like to know," Mr. Speaker. Great speech, Admiral Boorda.

"Admiral Bulkeley lived his life for our Navy and our country. He did so with guts and heart and most importantly with honor. His service stands as a tribute to every sailor, every American, every person on this earth who cherishes freedom. His life touched more than just us. It touched the world. And so today America says, 'Thank you, shipmate, for giving us the very best.' And while we know that you were always too special, too extraordinary to ever need our thanks, we just thought you'd like to know."

He paid great tribute to Alice Bulkeley whom I met. Beautiful young English girl whom he met in China during some very dark days after the Panay. He was then assigned to the *Sacramento*, the last coal-burning ship in the U.S. Navy. He married her and no sooner were they married than he had to leave her alone on their honeymoon with a Colt .45 under her pillow to go off on secret assignments for the Navy in China itself.

He comes to the end, Admiral Boorda, our CNO. He says, "Alice, I know that John loved you with every fiber of his being. And that while he's no longer here, he's still with you and your family in every way. I can feel it in this chapel. I can see it in the faces of your beautiful family. The wonderful

children that John helped you raise: John Jr.; Joan; Peter, our Navy captain; Regina."

I have a daughter by that name, Kathleen Regina. Regina told me her nickname is Gina.

"And Diana," the youngest, "and your lovely grandchildren are each a testimony to the tremendous husband and father that he was and always will be in your hearts. John's life was a full and fulfilled life. He did what he wanted to do and in the way he wanted to do it. He had a special wife, a great family, and the undying love of a grateful Nation. And he knew he couldn't ask for more than that. In remembering, in giving thanks for Admiral John Duncan Bulkeley, we should be happy and heartened, for he was a man who truly gave it all and who truly had it all. So when the time came, when he once again heard a familiar voice calmly say, 'You may cast off when ready, Johnny,' he had prepared his ship well. He had passed the most important inspection. He was ready for his final voyage."

Then after that beautiful eulogy and the beautiful eulogies that I should have asked for from his grandchildren—they also read scripture, one grandson, one granddaughter—his handsome son Peter got up. Capt. Peter Bulkeley, and he said:

"Admiral Boorda, thank you for your very kind remarks. As our Chief of Naval Operations and as a personal friend of the Bulkeley family, we really appreciate your deep concern, your compassion, and personal kindness from all of us. Thank you again. For everyone, please sit back and relax and let me tell you a story about a very special man. Typical of the Admiral, he would want me to come to the point, so this is what he really wanted you to know. He had no regrets of his life, that he lived a long time, married the woman he loved, raised a family to be proud of, and served a Navy second to none."

Mr. Speaker, I pause here in Peter Bulkeley's opening eulogy to remind you and anyone listening to this Chamber proceeding that Ronald Reagan asked me to do things like this, that I may have my weird detractors who do not understand why I am concerned about the social decay of our country, why I want even defense publications like *Armed Forces Journal International*, or *Roll Call*, or the *Hill*, *Marty*, why I want you to pay attention to what Billy Graham said, poised on the edge of self-destruction. That is why I am doing this. I want people to hear these words about a real hero. Why no one showed up from this administration, unbelievably. The Army did send their No. 2 man, General Reimer's deputy.

I went to another tribute a few weeks later. It was not written up in the *Hill* or *Armed Forces Journal Inter-*

national. It was not written up there. But I went to a ceremony at Arlington last Sunday where I was given some small piece of thank-you for getting 5,000 warriors—men and plenty of women—the *Armed Forces Expeditionary Medal* for what they did in El Salvador. No Senators, no Congressmen except myself, nobody from the administration. As a matter of fact, the Senate and some strange blockage at the highest levels of the Pentagon did not want these 5,000 male and female warriors to get that medal. And now I have kicked open the door and we are going to get some *Bronze Stars* and some combat infantry badges and combat medical badges for these people. Nobody showed up there. A beautiful Sunday, playing taps from the grave of Army Colonel Pickett. I got to meet his dad, a retired Army Colonel Pickett.

How did Colonel Pickett die? On his knees with a Communist bullet from the FMLN shot into the back of his head, killed this young enlisted man lying wounded on the ground, the copilot Captain Dawson was already dead in the cockpit of their helicopter.

When did that take place? January 1991. Nobody noticed because a week later the air war of Desert Storm started.

I will close without any more interruptions, just sit back, as Peter Bulkeley says, and listen to this story of a man who was a legend, and when I told BUCK MCKEON of our House that I could not believe nobody was there, he said, "You mean he outlived his fame."

He said, "If Ron Brown had lived to be Admiral Bulkeley's age, in his eighties, would anybody have remembered him or his less than 4 years as Commerce Secretary?"

□ 1530

No, I guess if you die young, on the line, you get buildings named after you. But if God gives you a good long life and a beautiful family, only a few remember and show up to say goodbye.

Peter continues:

When I pressed dad on 'no regrets,' he sheepishly told me with a twinkle in his eye that that wasn't quite altogether true. And he finally said, I do have one regret, Pete. I should have gotten a bigger boat. A destroyer is not too bad, but he was the kind of guy who could have handled a super carrier. So if you are contemplating a bigger boat, you know what to do.

I will not have in my lifetime a greater honor than today as an officer in our Navy and as his son, because I get to talk about my dad. Admiral Boorda, Admiral Larson, Superintendent at Annapolis, Admiral Trost, General Dubia, the number two man in the Army, General Blott, Assistant Secretary Perry, Assistant Secretary, Medal of Honor recipients, two of them from Army, Vietnam, another cause for

freedom that Reagan and I both believed in, and so did Admiral Bulkeley, representatives of the Senate, none were there, and the House, one, members of the diplomatic corps, a couple, allied representatives from France, they were there, Philippines, Great Britain, members of our armed forces, all of them in uniform, friends from Hacketstown, New Jersey, and around the globe, all of those who served and knew Admiral John Bulkeley, and most especially my mom, my sisters, Joan, Regina and Diana and their husbands, my brother at the organ, beautiful, my wife, all eight of the Admiral's grandchildren, we have come together to honor a great man, a patriot, a legend, a hero in the truest sense. A husband, a father, a friend; a simple man that did his duty as God gave him the ability to do, and the man that tried to keep a low profile, but somehow always ended up in the limelight of life.

Admiral John Bulkeley is a legend. He devoted his entire life to his country and to his Navy. Six decades of his life were spent in the active defense of America. Even after retirement in 1988, he remained engaged in the direction of our Navy and our country. He represented the Navy and the veterans at Normandy during the D-Day celebrations, laying wreaths and flowers of his and our fallen comrades. He provided inspirational speeches to our youth and our leadership. He believed in America.

My dad believed in a strong defense. He believed in a Navy he loved more than his own life. John Bulkeley's destiny may have been cast long before he sought the salt spray of the open ocean. His ancestors that preceded him, like Richard Bulkeley, brought aboard HMS *Victory* by Lord Nelson just prior to the battle of Trafalgar, and with my son Mark, I stood on the spot on the deck of the *Victory* where Admiral Nelson was hit.

We went down below decks. I stood on the spot and touched the deck where he died. That is down at Portsmouth. But at the British Naval Museum in Greenwich, I then saw his uniform where the French sniper's bullet entered at the top of his epaulette.

Mr. Speaker. So I am with the history of Peter Bulkeley's words at this point.

Then there is John Bulkeley of HMS *Wager* under Captain Bleigh, who sailed with Anson's squadron to raid Spanish silver ships of the New World, and Charles Bulkeley, raising the Union Jack for the first time on an American warship, the *Alfred*, commanded by John Paul Jones. All this influenced his intense love of the sea.

He was born in New York City, as I was, grew up on a farm in Hacketstown, NJ, and wrote his high school class poem in 1928, if you can believe that. A poet, and he loved opera. And they played his favorites in the

background, Mr. Speaker, all during the reception after the funeral.

He loved animals, and took great care of feeding and caring for any that sought his help. He was compassionate to those needs. He loved his black cat.

His love of the sea however was his dream and destiny. Unable to gain an appointment to Annapolis from his home State of New Jersey, his determination led him to Washington, and after knocking on doors, he gained an appointment from the State of Texas.

As America dealt with the depression, his dream of going to sea, however, received a setback. Only half of the 1933 Academy class that graduated received a commission. John Bulkeley, noted early on for his intense interest in engineering, went on and joined the Army Air Corps, I stand corrected. Like the crazy flying machines of the day, he landed hard more than once, and after a year, he left flying for the deck of a cruiser, the *Indianapolis*, as a commissioned officer in the U.S. Navy.

That was an ill-fated ship.

In a recent message to the Navy, the Chief of Naval Operations recounted a story about the Admiral, cautioning all that read the message there are thousands of John Bulkeley stories. I have been fortunate enough to have heard a lot of them, but I am sure not all, as cards and letters continue to come forth to this day, with just another story to top the previous received one.

Many will, and do move with pride and love, respect, and maybe in some cases almost disbelief. Stories, as we all know, can grow. But I have also had the benefit of talking personally with the men and women that were there with the Admiral when history was being made. And the stories stand the test of time. I will only mention a few today.

Ensign John Bulkeley chartered an interesting course in his early years, and was recognized early on by the Navy's leadership. A new ensign in the mid-thirties, he took the initiative to remove the Japanese ambassadors' briefcase from a stateroom aboard a Washington-bound steamer, delivering the same to Naval Intelligence a short swim later. This bold feat, of which there were to be many more in his life, did not earn him any medals, but it did get him a safe one-way ticket out of the country, and a new assignment as chief engineer of a coal burning gun boat, the *Sacramento*, also known in those parts as the Galloping Ghost of the China Coast.

Picture in your minds the movie *Sand Pebbles*. That is it. There he was to meet a young attractive English girl at a dinner party aboard the HMS *Diana*. Alice Wood, later my mom, and the handsome swashbuckling John Bulkeley, would in the short period of courtship, live an incredible story together.

In China they would witness the invasion of Swatow and Shanghai by Jap-

anese troops, the bombing of U.S.S. *Panay*. The were strafed by warring planes and, watching from a hotel, soldiers at war in the street below. John Bulkeley, with a uncanny propensity to stir things up, often took the opportunity to bait the occupying Japanese soldiers, dashing with his bride to be into no-man's lands, chased by Japanese soldiers, and once in a while shooting them with a BB gun air pistol only their back sides, "just for fun." He fit the mold of Indiana Jones, hat, coat and all, and not necessarily a commissioned officer in fore and aft cap of the day.

But John Bulkeley learned a lot from this experience, as a chief engineer, and also what war was all about and what an enemy invading force was capable of doing.

At the dawn of World War II, and now a Fleet Lieutenant commanding motor torpedo boats, John Bulkeley hit his stride as a daring, resourceful and courageous leader, determined to fight to the last against enemy forces attacking the Philippines. His exploits have made legends as well as movies.

As a young lieutenant, he would, "Say no one knows what war is about, until you are in it." Fearless in battle, resourceful and daring, that was Bulkeley. Men like George Cox, skipper of PT-41 would write in 1944, "I would follow this man to hell if asked." A lot of others would agree.

And General of the Army Douglas MacArthur, after being ordered out of the Philippines and arriving at Mindanao following a 600 mile open ocean escape, Mr. Speaker, aboard a 77 foot motor torpedo boat through enemy lines, would say, "You have taken me out of the jaws of death. I shall never forget it." He probably added "Johnny."

John Bulkeley's daring exploits will never be forget even. By the way, MacArthur said that to George Cox, Sr., too.

Hard as leather on the outside, he was also a man with compassion and a love for his fellow man. Reflecting to me a month ago, just before his death, about those terrible early days of World War II, dad wept over the decision that his men and our Army at Bataan were left behind to face an enemy of overwhelming strength.

Imagine, Mr. Speaker, this tough 55 year active duty seewolf still brought to the tears to his own son remembering the men we left behind at Bataan, like Colonel Eugene Holmes, who Clinton used so shamelessly in the summer of 1969. That is the ROTC commander at the University of Arkansas, Fayetteville.

But he also acknowledged that when the coach calls possible you to bunt, then sacrifice you do, with all the strength and conviction you can muster, for the overall victory cannot be achieved unless we are prepared to give

it will our all. From the Pacific campaign, where he would command another squadron of PT boats, he would go to the European theater, just in time for norm and difficult. At the recent 50 day celebration, my sister and I, that would be Joan, along with our spouses, had the honor to accompany the Admiral and my mother. And what a beautiful spouse, Navy wife, Peter's wife is.

Many a time I heard from a Navy veterans, "thank you for saving my life. I would not be here were it not for you." He would hear them say that to his dad.

Let me reminisce a minute. As we were leaving Charles deGaulle Airport, another World War II vet, recognizing the Admiral, engaged him in conversation. As they departed, my dad said to this vet, "see you in the next war." Upon hearing this, the veteran quickly came to attention, rendered a snappy salute and responded, "I will be there, sir. Ready to fight." Where do we find such men? Peter is quoting Michener there. It is probably in his subconscious.

John Bulkeley led naval forces and torpedo boats and mine sweepers in clearing all the lanes to Utah Beach, keeping German E boats, who, Mr. Speaker, had killed almost 900 men near Slapsand, England in Operation Tiger in April, less than two months before D-Day, and it was kept secret for 25 years that more men died because of German E boats at the end of April of '44 than died on the beaches of Normandy in the waters of Normandy.

The German E boats were to be kept back from attacking the landing ships along what they called the Mason Line, running parallel to Utah Beach, and picking up wounded soliders from the sinking minesweeper *Tide* and the Destroyer *Cory*.

His World War II exploits would not be complete without the mention of his love for destroyers, of which he would command many in his years to come. As Normandy operations wound up, he got his first large ship, the Destroyer *Endicott*, a month after D-Day. I told this story about the British gunboats, the two German Corvettes charging in as dawn's light broke. I told that story. I want to use every minute here. Peter tells it better than I did.

When I asked about dad about that action, he said "What else could I do but engage? You fight, you win. That is the reputation of our Navy, then, now, and in the future. You fight, you win."

Let me pause. The Admiral was a strong believer in standards.

Mr. Speaker, my Reagan prologue was so long, I have 12 more beautiful eulogy remarks of Peter Bulkeley. I will submit them for the RECORD. I think it is important enough that on one of the 3-hour special orders I have next week, and I ask permission for

those special orders right now, Monday, Tuesday, Wednesday, and Thursday, I will finish Peter's remarks, picking up with the Southern France invasion support and refer to today's May 10th RECORD, so people can get it. That gets Peter's dad an extra mention on the House floor.

Mr. Speaker, I include for the RECORD the remainder of Capt. Peter W. Bulkeley's eulogy for his father, Adm. John D. Bulkeley.

Let me pause—The Admiral was a strong believer in standards, some may say, from the old school, as the enemy Captain of one of the corvettes soon learned. Coming up from the sea ladder, he would not salute the colors of the Endicott, and was promptly tossed back into the sea. The third time, did the trick and he was taken prisoner and allowed on deck. I had heard this story a long time ago, but last year, I had the privilege of attending the Endicott ship's reunion, and was told this same tale, over and over again by the crew that served and loved their Captain, John Bulkeley.

World War Two closed and the Admiral emerged as one of the Navy's and America's most decorated heroes—Having been awarded the Medal of Honor, The Navy Cross, The Army Distinguished Service Cross with Oak Leaf Cluster in lieu of a Second Award, Two Silver Stars, The Legion of Merit with Combat V and The Purple Heart twice over, the Philippine Distinguished Conduct Star and from France, The French Croix de Guerre. Asked about his many decorations, John Bulkeley would only comment, "Medals and Awards don't mean anything, it's what's inside you, how you feel about yourself that counts".

With an eye to the future John Bulkeley, looked forward to the day he would become an Admiral in the Navy he loved so much.

As President Kennedy in early months of his administration dealt with an ever increasing crisis over Cuba, the Admiral got his wish and for a quarter of a century would serve as a Flag Officer in the Navy.

Challenged in his first assignment as Commander of the Guantanamo Naval Base, he met and defeated the challenge of Fidel Castro's threats of severing the water supplies of the base. Today, Guantanamo, stands as a symbol of American resolve because men like John Bulkeley stood up and refused to bend, and took the initiative to stare down belligerent threats of lesser men, not friendly with America. Perhaps a tribute of the time, was the wanted poster, offering 50,000 Pesos for him, dead or alive by the communist leadership of Cuba along with a description, "a guerrilla of the worst species". . .

At Guantanamo, for those that have visited, there is a hill that overlooks the Northeast Gate, a Gate, with a sign that reads "Cuba, Land Free From America". I stood with my dad on that hill almost 32 years ago. Cuban troops began moving about, his 19 year old driver, a Marine Lance Corporal came running up and stood directly in front of the Admiral, ready and willing to take the bullet that would end the life of his Commander. The Admiral loved his Marines, the Marines loved and respected him in return. He would be with them day and night, in fatigues, ready to conduct war if necessary but more to defend Americans and The Land of the Free against the Communist yoke of tyranny. As COL Steven's, the former Commanding Officer of the Marine Barracks at Guantanamo wrote recently, adding three

more stories to the Legend of John Bulkeley. The Admiral had the compassion for the men in the field, taking time again and again to bring them relief, whether cookies on Christmas morning or visiting them at odd hours of the night to ease their nerves, they loved this man. The Admiral would construct on that hill, the largest Marine Corps Insignia in the world, as a quiet reminder, that the United States Marine Corps stood vigilance over the base. And in tribute, a Marine would write: "John Bulkeley, Marine in Sailors clothing". Camp Bulkeley is still there in Guantanamo today and the Marine anchor and globe has a fresh coat of paint.

John Bulkeley never forgot his early years, the hard iron like discipline, the poor material condition of the fleet and the need to always be ready. In his own words, to be able to conduct prompt, sustained, combat operations at sea. Assigned as the President of the Board of Inspection and Survey, a post held by many distinguished Naval Officers since its inception almost since the beginning of the Navy, his boundless energy would find him aboard every ship in the Navy, from keel to top of the mast, from fire control system to inside a boiler, discussing readiness and sharing sea stories and a cup of coffee with the men who operate our ships, planes and submarines. He was relentless in his quest to improve the safety and material condition of the fleet and the conditions for the health and well being of those that manned them. He conducted his inspections by the book in strict accordance with standards as many a man well knows, but his love for the sailors always came through. His "Just thought you'd like to know letters", was another invention of his, that was designed to be "an unofficial report" but of course were often greeted by a groan by the recipient in the Navy's leadership, knowing that John Bulkeley had another concern that needed attention and the number of information addreses receiving the same "Just thought you'd like to know" letters, often was longer than the letter itself. The Admiral would laugh about his informal invention less than thirty days ago.

After fifty-five years of Commissioned service, John Bulkeley retired to private life. I was there at his retirement ceremony with Admiral Trost, then Chief of Naval Operations. John Bulkeley as you recall, did not like notoriety and wanted to keep a low profile, throughout his life, even his last day in his Navy. His ceremony as requested was brief and to the point. Held in the CNO's office, with family present, all he sought after giving his entire life to his country and his service was to have the CNO's Flag Lieutenant, open the door so he could slip his mooring line and leave quietly.

Today we celebrate the final journey of a Great American, John Bulkeley, and let him sail away. We should not mourn for he would not want that, preferring we celebrate his long life, fruitful life and a life he chooses to lead. When asked to describe his own life; He said: "Interesting, Fascinating and Beneficial to the United States."

The spirit of John Bulkeley, is here. You can see it everywhere. You can see it in the faces of our young sailors and marines, the midshipmen and our junior officers who will be challenged to live up to his standards of integrity, loyalty, bravery and dedicated service to country and to service.

John Bulkeley's career and service to the nation spanned six turbulent decades of this century, he saw first hand desperate times and the horrors of war. Yet he was also a father, marrying the woman he loved and in

his own words, "it was the best thing I ever did". And raised a family he could be proud of. Because we're proud of him. Mom, you were his right arm, his closest friend for a long and full life. You gave him your love and your support. You truly were the Wind Beneath His Wings. Yellow roses and his Colt 45 that he gave to you on your wedding night, while he stood watch out in Swatow Harbor provide us comfort of this love for you and his service to country. Before he passed away, his family, every member, child and grandchild, sons and daughters-in-law all came to be with him in his last days. This by itself, is testimony of the legacy he leaves behind and the love his family had for him.

Today we face a different challenge that what John Bulkeley did. Old enemies are our allies, but now there are new foes who challenge our country's interests and our way of life sometimes even inside our own borders. Admiral Bulkeley's efforts and sacrifices for a better world, a free world, his integrity and honor, and a combat ready fleet, ready to conduct prompt, sustained combat operations are his legacy to our nation.

Seated before me, are many of the warriors that fought alongside the Admiral, shared in his beliefs, his determination, his losses, his grief and his unfailing love of family, service and country.

With his passing, the watch has been relieved. A new generation takes the helm and charts the course. His Navy, he shaped for so many years is at sea today, strong and better because of him, operating forward in far away places, standing vigilant and engaged in keeping peace and helping our fellow man, but ready for war.

In his own words he leaves this with you. "Be prepared! Your day will come, (heaven forbid), where you will be called to go forward to defend our great nation. Your leadership, bravery and skill will be tested to the utmost!"

"You should never forget that America's Torch of Freedom has been handed down to you by countless others that answered their country's call and often gave their lives to preserve freedoms so many take for granted. This torch is now in your hands. You have a great responsibility to uphold: Duty, Honor and Country. God Bless each of you and protect you."

Just though you'd like to know!

So, we gather together today to say farewell to a man we love, respect and cherish. A man that did his duty, that made his mark in life and left the world a better and safer place. God bless you Dad. All lines are clear.

A BAD TIME FOR FAMILIES

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Mr. Speaker, this week we will end it with the celebration of Mother's Day on Sunday. I think it has been a bad week for mothers and a bad week for families and a bad week for children. We had a Republican housing bill which passed, which greatly reduced the participation of the Federal Government in the provision of housing for the poorest people in America; bad for families, bad for children, bad for mothers.

One of the highlights of the debate on this bill was the offering of an amendment which would have just kept the present provision in the bill which says that no family should be made to pay more than 30 percent of their income for rent in public housing. No family should be made to pay more than 30 percent. That was removed by the Republican majority, and the amendment which was attempting to put that back into the legislation was voted down by the Republican majority.

It means it was telling poor families in America that you should pay more than 30 percent, be prepared. But no Member of Congress pays more than 30 percent of their income for housing, I assure you. Very few people in America pay 30 percent or more of their income for housing. That is not the way budgets for families are constructed. Yet we are saying that poor people should pay more than 30 percent. So it was not a good action to benefit families and mothers.

Next week we are looking at a situation we are going to be voting on the defense authorization. We are told that \$13 billion is being added to the defense budget; \$13 billion being added. How is that going to benefit families and children and mothers in America?

□ 1545

Beyond that, we have no hope next week of voting for the increase in the minimum wage. The increase in the minimum wage calls for a mere 45-cent increase in 1 year and a 45-cent increase the next year, a total over a 2-year period of an increase of 90 cents, which would bring the minimum wage up to \$5.15 per hour.

Mr. Speaker, that would be good for families, families that are at the very bottom who are working, who find that, although they are working, they cannot make ends meet, cannot live on \$4.25 an hour, which is the present minimum wage. So we would do a great deal for families, for mothers and children, if we were to move next week to pass an increase in the minimum wage.

But that is not on the horizon. What we are going to do instead is pass a bill to increase the defense budget by \$13 billion. The authorization to increase the defense budget is for \$13 billion additional.

Next week we will probably have the Republican budget on the floor, and of course the Republican budget will be passed because the Republican majority has the numbers to pass it. The Republican majority this year, this fiscal year, has already cut \$23 billion out of the budget. That \$23 billion, a large part of those cuts were in housing, and many of the cuts were in job training.

Activities and programs that are very needed, very much needed by the American people in general and certainly by families, by mothers and children, and yet they were cut. In this

coming Republican budget we can expect more of the same kinds of cuts. In fact, the cuts in Medicaid and Medicare are back on the table. It was a retreat from those, but they are back on the table. So there will be an even larger cut in this year's budget than we had last year; \$23 billion was just a beginning.

More important for families and for children is the fact that we are going to have in the next 10 or 15 days the Medicaid entitlement on the chopping block. Medicaid entitlement means that Medicaid, which had only existed for a little more than 30 years, it was part of Lyndon Johnson's Great Society program, created a little more than 30 years ago. The Medicaid entitlement says that, if you are poor, if you can pass a means test which shows your family is poor, then you are entitled to Medicaid, which is federally funded. The Federal Government will make certain that you get the aid you need in order to take care of your health needs.

Now, that is an entitlement. It means that no matter how many people are in need in a given year, the Federal Government stands behind the process by which they shall be taken care of. They have a right to the care, and the Government will provide the Federal share of the dollars. That entitlement now is being threatened. The Governors, both Democratic and Republican, have voted that they would like to have the Medicaid entitlement removed, not have the Federal Government stand behind the provision of health care for poor people. The States will instead take care of it on a finite basis. No entitlement. That means that there will be a certain amount of money available, and all of the people who get sick after the money is spent will not be taken care of. The entitlement is gone.

Mr. Speaker, the entitlement for nursing home care will be gone because two-thirds of Medicaid money goes to finance care for people in nursing homes. Two-thirds. Only one-third goes to poor families. Two-thirds goes to people in nursing homes. So that is threatened. That will be removed. That is not good for families, not good for mothers, not good for children.

In fact, the movement of the Medicaid entitlement will mean a first step toward genocide, in my opinion. We are going to give it to the States. That means it will be decentralized genocide, a first step toward decentralized genocide. I will talk more about that later.

Mr. Speaker, I want to talk about all of those items, but let me just talk about a few things that are nice that happened this week. National Library Week was this week, and it was an occasion where the libraries celebrated 50 years of the Washington office of the American Library Association. They

were quite happy that the Federal Government has given anything to libraries.

We had a banquet where they were celebrating the 50th anniversary of the American Library Association, Washington office, and they honored some Members of Congress who had helped with libraries over the years. As I sat there and listened to the celebration, it occurred to me that never have so many applauded so lustily for so little. Never have so many applauded so lustily for so little.

The Federal Government has done very little for libraries over the years. Over the 50-year history of the national ALA Washington office, they have received very little help from the Federal Government relatively speaking.

In fact we have a bill which is pending now in the Senate which will authorize \$150 million in aid to libraries; \$50 million is what the Senate has, and I think the House of Representatives has \$110 million. There is some kind of talk there will be agreement whereby the higher figure may be accepted, and we will have \$150 million in aid to libraries. Well, that is down from where it was just 5 years ago. At one point we got as high as \$217 million.

Aid to libraries has gone down instead of up. This has happened at a time when we are talking about the need to increase our level of education for families and for children.

So it is good that National Library Week took place. It is good the librarians are happy and celebrating the fact that we have gotten an agreement almost to maintain the level of Federal funding for libraries at \$150 million a year. The authorization now will go down. The authorization was opened, but now the authorization will set a ceiling that no more than \$150 million will be available to all of the thousands of libraries across America who need some kind of assistance.

Of course, State and local governments provide most of the money for libraries, but that is the way it is. Why should it be that way if education is a national concern and our national security is dependent on education? Then you would think libraries would be getting far more than they get now in terms of aid from the Federal Government.

Libraries are the biggest bargain the Government has for the millions of people served. The dollars, which are pennies per person, are quite great indeed. So the value of what we spend for libraries is unexcelled in any other area of expenditures in education. But that was a mixed blessing. I am not happy with what the Federal Government has done in this critical area, but we celebrated.

We also had a mixed victory in terms of people with disabilities. I spoke last week about the fact that the bill which provides aid to children with disabilities, it is called IDEA, Individuals

With Disabilities Education Act, that act is what is in existence right now, they are trying to replace it with another act, which would be a new authorization, and they are chipping away, I said, at the Federal Government's commitment to children with disabilities.

There are many ways in which the Federal Government in that legislation would reduce its level of commitment. I am happy to report that the committee I serve on, the Committee on Economic and Educational Opportunities, postponed the markup. The markup was to take place on Wednesday, the 8th, and now it has been postponed.

And one of the reasons it was postponed is because the numerous groups that are concerned and involved with trying to help improve this legislation have all indicated that I was correct; that when they looked at the bill closely there was a withdrawal of the Federal commitment in a very basic way.

For years, the Federal Government has committed itself to picking up the cost of the excess, part of the cost of the excess. It costs a certain amount to educate a child in a school system. And whatever the additional cost was to educate a child because they had disabilities, that cost went up. The authorization language was that it would pick up 40 percent of the excess cost; 40 percent.

Now, we have never actually appropriated enough money to reach the goal of 40 percent of the excess cost, but we did get up to 7 percent; 7 percent. In the new legislation that was being proposed we were backing away from that commitment and zero percent was committed. We thought that was a big step backward, and I am glad to hear that we have postponed the markup. That is good news for mothers, it is good news for children.

There was also good news occurring today. We have in the Capitol a rally of thousands of nurses. Nurses have come because they feel they are shut out of the whole process by which health care is being reengineered. Health care in America, the system, is undergoing some revolutionary changes. The biggest change relates to the health maintenance organizations, health maintenance organizations which will be providing service to people on a per capita basis.

They will have each individual family pay a certain amount of money and they will provide service for that individual, for that family, for a year on the basis of that per capita amount.

They are changing the way health care is provided because with the dollar figure placed on each family, the incentive for the HMO is to try to keep the cost of the health care down. That is a laudable goal. We do not want to spend any more for health care than we have to spend. But we find excesses have started to develop where HMO's, given

no kind of regulatory controls, have been pushing the quality of health care steadily downward because they want to keep the costs down.

That has resulted in legislative action in many States. Some States have said we cannot push a mother with a baby out of a hospital after 24 hours. HMO's have started to do that. The HMO's have been saying 24 hours is enough if a woman has a baby in a hospital; she has to go. So some States have said, no, it is 48 hours.

It used to be the doctors and the nurses and the people taking care of the mother who had the child that made the judgment as to when that mother could go safely home with the child. So here is something that gets to the heart of what Mother's Day is all about. The nurses are here to say that that kind of activity, either by hospitals or by health maintenance organizations, endangers the quality of life of the child and the mother. They are here to say that as nurses they want the opportunity to be able, as professionals, to say when wrong decisions are being made about the care of patients.

Nurses are our experts on the front line in health care. They see more of patients than doctors. Nurses are closer to the situation. They read the vital signals on a day-to-day basis. When we are in the hospital we see more of nurses than we see of doctors. When young children come into the world, most children are born in hospitals in this country, nurses are one of the first experiences they will encounter, even if they do not realize it. And often, of course, if we are fortunate to live a long life, as we live longer and life becomes more complicated in terms of physical maintenance, we are going to spend more time in hospitals. And nurses, at the end of our lives, are probably going to be one of the last set of people that we have experiences with.

So I want to congratulate and thank the nurses who have come today to Washington by the thousands and say that they are very much a part of what Mother's Day is all about. Many of them may be individual mothers, of course, and we certainly applaud that, but certainly in terms of keeping mothers together at a very critical time in their lives, taking care of infants at a very critical time of their lives, nurses are very much on the front line.

It is Mother's Day, and I hope that on Sunday, as we reflect on Mother's Day, we will stop and think about what the Nation is doing for mothers and what the Nation is doing for children, what the Nation is doing for families. Among Members of Congress there is a lot of rhetoric this year about family values. Everybody talks about family values. And when one hears the dialog, we think that family values are all about

whether or not children will be allowed to see pornography on the Internet or whether we will take a stronger step about getting pornography off the TV sets or getting violence off the TV sets.

I think that is important. We should get rid of pornography and violence. Certainly violence is pervasive on our TV sets. Our children see hundreds and hundreds of murders. By the time a child reaches high school, they have seen thousands of murders on TV. So we should deal with that, and that is part of what family values are all about. I am certainly not criticizing that. But it is just a tiny part of what support for family values has to be all about.

□ 1600

Support for family values and support for families ought to be about so much more. It ought to be about food, clothing, shelter, providing educational opportunity. It ought to be about providing jobs that have wages that are large enough, wages that are high enough to guarantee that when people work they earn enough money to make a living.

But in celebration of Mother's Day, I just want to digress for a moment and say that in March 1990, when we had a day care bill before us and the talk about mothers and children and what the Federal role should be in trying to guarantee that poor mothers who go to work have an opportunity to have their children get day care coverage, it was a long debate.

During that debate I got very angry about the way the Members of the House were dragging their feet. Indeed, Members of both Houses were dragging their feet on a concrete answer to the problem of day care for working mothers, poor working mothers. I wrote a rap poem because I was very impressed at that time by the fact that rap poems had become, rap music had become very popular. I was not happy with the kind of content that the rap music had, what they were saying, the substance of rap music was not impressive. But I was impressed with the possibility of rap as an art form. I was impressed with the possibility of rap as a poetry form, a literary form. I still am an exponent of rap as a literary form that ought to be developed. I think that like the sonnet, it has a lot of potential for expressing strong feelings.

The first rap that I wrote and put into the CONGRESSIONAL RECORD was called "Let the Mothers Lead the Fight." It is all about the fight for mothers to get public policies which are conducive to the improvement of the quality of life for families. At that particular time it was day care.

There are many others that, many other public policies that do relate to families. I dedicated this rap poem to Marian Wright Edelman, because Marian Wright Edelman at that time was

very much in the middle of a fight to get better day care for families, for poor families.

Marian Wright Edelman, as you know, is the head of the Children's Defense Fund. The Children's Defense Fund is going to have a stand for children here in Washington on June 1. And the same issues that we were discussing, in March 1990, are very much on the agenda today in May of 1996. In fact, the situation is more serious now because we did not have a threat of Medicaid being taken away in 1990. Now Medicaid may be taken away from families in 1996. So I think the rap poem is appropriate. I will read it again here. I will read it for the first time on the floor because the first time I just submitted it into the RECORD. It is called "Let the Mothers Lead the Fight."

I dedicate this to all the mothers on Mother's Day. It is very significant that when I first put this in the RECORD, a local newspaper in my district ran the poem on the front page of the newspaper that weekend just before Mother's Day. So I want to note that it is not the first time that it has been pulled from the pages of the CONGRESSIONAL RECORD. We did have it run in one of our local weekly newspapers back in 1990:

Let the mothers lead the fight—
Sisters snatch the future from the night
Dangerous dumb males have made a mess on
the right
Macho mad egos on the left swollen out of
sight

Let the mothers lead the fight!
Drop the linen—throw away the lace
Stop the murder—sweep out the arms race
Let the mothers lead the fight:
Use your broom
Sweep out the doom
Don't fear the mouse
Break out of the house—
Rats are ruining the world!
Let the mothers lead the fight!
Fat cats want to buy your soul
Saving the children is the mothers role:
Cook up some cool calculations
Look up some new recipes
Lock the generals tight down in the deep
freeze.

Let the mothers lead the fight!
Human history is a long ugly tale
Tragedy guided by the frail monster male:
Babies bashed with blind bayonets
Daughters trapped in slimy lust nets,
Across time hear our loud terrified wail—
Holocaust happens when the silly males fail.
Let the mothers lead the fight!
Snatch the future back from the night
Storm the conference rooms with our rage
Focus X-rays on the Washington stage.
The world is being ruined by rats!
Rescue is in the hands of the cats:
Scratch out their lies
Put pins in smug rat eyes
Hate the fakes
Burn rhetoric at the stakes
Enough of this endless selfish night
Let the mothers lead the fight!
Holocaust happens when the silly males fail!
March now to end this long ugly tale
Let the mothers lead the fight!

Stand up now to the frail monster male!
Let the mothers lead the fight;
Snatch the future back from the night!
Let the mothers lead the fight?

I was told later on that that is a little too angry. It is a little too anti-male. It is a little too hostile, but that was in March of 1990. That was before the attack on Aid to Families with Dependent Children. We are almost certain to end Aid to Families with Dependent Children as a Federal program as an entitlement. That is almost certain. I am not even going to bring up, get up anybody's hopes that we can hold on to that.

What we are fighting now is to hold on to the entitlement for Medicare, something which mothers and families, children cannot survive without. Poor families need Medicaid. If the mothers do not lead the fight, it appears that the silly males who are in control of policies and power are going to move to take away the Medicaid entitlement. That is going to be a first step toward what I call decentralized genocide.

The nurses were here today, the nurses were here to talk about health care. The nurses were here to talk about the fact that there is a health care industrial complex that is being developed. What do I mean by that when I say a health care industrial complex? I mean that health care instead of being primarily a service is going to be primarily an industry, a vehicle for making profits.

Health care has always been an industry, a service and an industry, a very vital service, but it is an industry. It employs people. Income is earned. Capital is made, is required to build hospitals. All kind of auxiliary companies feed in, the laboratories and the companies that build health care machinery, the drug companies that do the research and earn tremendous amounts of money on the drugs that they develop. It is an industry. It has always been an industry. There is nothing wrong with it being an industry. It is an industry that large amounts of public funds are put into. Taxpayers money goes into the health care industry.

I have said many times, I can think of no more noble way to spend taxpayer money on than to spend it on helping people to stay healthy and helping people who are already ill, helping people who are elderly, who need nursing home care.

There is no more noble way to expend Federal dollars than in the health care industry. The problem now is that the health care is becoming too much of an industry, more industry than service, whereas service was a primary goal before. And the patient and the people and the health care was first.

Now the industry goal of profits, how much money can we make, has become the most important goal. Large insurance companies are buying health

maintenance organizations. Pharmaceutical companies are buying health maintenance organizations. The stock market has health maintenance organizations on the stock market. There is a great deal of pressure on every stock market company to produce profits. You have to produce more and more and higher and higher profits.

Where are the profits going to come from? The profits have to come out of giving less care to patients because in many cases these health care maintenance, these health maintenance organizations are being funded by government, the Federal, State and local governments, or they are being funded by industry that wants a lower cost.

The industry wants to spend less money on health care. The government wants to spend less money on health care, and you cannot get profits by raising the price that you charge industry or government. The only way you can make money and increase your profits in health care is to decrease the kind of service you provide to the patient.

Well, that is not exactly true. You might get rid of some waste. There may be waste in the way service is provided. Too many people may be doing the same kinds of things. There may be waste in the amount of money you pay for equipment or waste in the amount of money you pay for drugs.

It is possible that you can legitimately save money and increase profits. But we see too many examples where the easiest course of action by the health maintenance organizations has been to decrease service. That is the easiest way to make the greatest amount of profit.

I am not here to lead a charge against health maintenance organizations. I am not here to try to cover up the fact that in my community, many of my communities, poor communities, Brownsville, East New York, Bedford Stuyvesant, parts of Crown Heights and Brooklyn, New York, people have suffered for years without HMOs being there. The Medicaid mills and the abuses of doctors who were taking exorbitant fees and giving little service, health care has always been a problem.

So health care may be improved through health maintenance organizations. It is possible. I am not going to be dogmatic enough that health maintenance organizations represent some kind of evil that ought to be stopped. No. The argument here is that as you reengineer the health care system, as you restructure it, then do not just restructure it to maximize profits. Restructure it to give better health care. And in the process of restructuring it, include the nurses in the dialogue. Let the nurses give us advice as to how we can restructure health care to make it more effective and at the same time less costly.

When you restructure health care, let the patients be involved. When you restructure health care, by all means, do not push the doctors out on the fringes. There are doctors organizations, medical organizations of doctors complaining about the fact that their decision-making powers have been taken away, that they are second-guessed by people who are accountants, that accountants are now running the show who never went to medical school, many of them who did not take a biology course in high school. But they are looking at the costs, and they want to know how badly were people bleeding when they went to the emergency room. If they are not bleeding so many liters, then do not give them emergency care. Send them home.

Reductio ad absurdum, absurd situations like that are almost occurring where people are being told in the emergency room, you have to call your HMO, check with them. And if they say we cannot give you emergency care, then you have to go home. We cannot deal with it. A doctor on the scene in the emergency room to be able to make the judgment, does this person need emergency care or not, and a health maintenance organization should be required, mandated to follow through on the doctor's decision that a person needs the health care.

So we are into a situation now where the most intimate kind of thing that affects families, that affects children, that affects mothers, their health care, the most intimate kind of care is now a matter of public policy.

Public policy has to defend the patients and defend the mothers and defend the children from the possibility that they will be abused by people who are trying to maximize profits. That is the kind of situation we find ourselves in.

Mother's Day, this Sunday, has to be a day of reflection on what is happening in health care, about health care in America. Mother's Day has to be a day where you deal with some of the issues that I have raised in a piece of legislation that I am drafting which got called the Patient and Health Care Professional Protection Act.

Mother's Day has to be a concern of some of the activities that are taking place around the country other than here in Washington. In New York, on next Sunday, May 19, there is going to be rallies at 5 different hospitals to deal with health care. It is called Hospital Support Sunday.

On May 19, in New York, there will be in each one of the 5 boroughs people of all walks of life getting together to come out to show their support for maintaining proper care at the hospitals. New York, we have threatened hospitals that may be closed. Hospitals may be sold. Hospitals may be leased. A number of problems are being generated by the fact that they are trying

to make maximum profits off of hospitals and set up a situation where they can maximize the amount of money being paid off the patients.

So in unison with nurses and doctors, people will be coming out on May 19 at 5 different hospital sites to let it be known that the people care about health care.

In this bill that I have, we have 2 major sections. One is to protect the rights of the health care consumer, the patient. It establishes a Federal mechanism for the emergency investigation of the most egregious cases involving death or life-threatening situations. We have situations now where the Federal Government does investigate and survey hospitals. They have come up with reports on the death rate at hospitals that are receiving Medicare and Medicaid funds. But that is after the fact. It is a survey, a study undertaken, sometimes years after the deaths have occurred because they are looking at statistics and how many people in a given area, people in the health care, the heart care surgery section or people who are suffering from asthma, how many deaths in those categories are recorded on the records of the hospital. They have come up with a pattern.

□ 1615

That has been very useful in determining that some hospitals have patterns of improper care. But it has not been useful in dealing with emergency situations that might save some lives by stopping immediately practices which are dangerous. So a mechanism would be built in here to do that.

We also outlaw what is called the gag order. There are contracts being forced on nurses now where the nurses have to sign a gag order which says you cannot discuss the care being given in this hospital with anybody outside the hospital, you cannot discuss it even with the patient's family. So that is a process that is ongoing that nurses have to deal with.

They are taking care of people, they see things happening not good for the patient, they see things happening that may endanger the patient, but they cannot talk to the family about it. They cannot complain to anybody else about it. It mandates that the gag order of this kind will no longer be there; the Federal Government will make that illegal.

My legislation mandates that there must be a compilation of uniform national patient outcome data collection and analysis to make sure that patients are taken care of, are systematically receiving quality care based on sound evidence. That is a systematic analysis of what happens when patients go to hospitals: Do they have to come back for the same treatment? Do they get infected while they were in the hospital? What pattern is there in this hospital which relates to the patient

outcome, directly related to the patient? Hospitals often evaluate it now based on what kind of machinery do they have or what kind of procedures do they undertake, or what are the qualifications of the medical staff; but not on a basic activity like what is happening with the patients.

So there are other mechanisms also which deal with patients.

Most important of all, I insist in this legislation that we create an office of consumer advocacy for health at the State level, and then we insist that there be independent patient advisory committees created at the level of the HMO. That is, every health maintenance organization would have a percentage of its funds paid into a statewide fund that is used to fund health advisory organizations, patient advisory organizations, that would be run by patient groups, a certain percentage. I put in 1 percent; 1 percent of the gross spent on health care should be set aside so that patient advocacy, patient advisory organizations can be funded on a regular basis.

Yes, there will be relief and appeal mechanisms built in. But unless you have the opportunity for patients to organize and have their own group process, they will have no chance against the establishment, medical care establishment, when they have a grievance. So we want patients to have the same kind of activities, mechanism to defend themselves.

And then, of course, we are protecting the health care professionals against any further harassments by having a mechanism for developing nationwide guidelines established. We want to prohibit the discharge and the demotion or harassment of any nurse, doctor, or any other health care professional who assists in an investigation of the hospital or of his or her employer.

We want to guarantee compensation for victims of whistleblower retaliations. We have a whistleblower program for people to inform about abuses in Medicare, waste and corruption in Medicare, but we do not have whistleblower mechanisms which inform about abuses of patients. Nurses need to be protected and compensated if there are retaliations when they report these kinds of abuses.

This is just a brief summary. I do not want to go into details here because I think it is very important to note there is a political process that is beginning. The patients and the nurses, the doctors, all the people who really care about health care more than they care about profits, they outnumber the people who want to make money. So they have a political advantage in our democracy. And what they need to understand is that this is going to be an ongoing political debate for years to come.

It will take us 10 or 15 years to straighten out this new reengineered

health care system. In the process of straightening it out, we must have the people who are the experts on the front line there. We first must open up the situation so that they are respected and they are allowed to come to the table and they are allowed to help decide how we are going to reengineer and restructure the system.

In New York State we just had yesterday an announcement made by Governor Pataki. And Governor Pataki is a Republican. I seldom have praise for Republicans. But Republicans, too, can do some good, and I want to praise the Governor for having taken a definitive step in solving some problems related to HMO's in New York State.

A lot of different people have been complaining. The State assembly has a bill which is trying to regulate and improve the care of health maintenance organizations. The State Senate has a bill, the Governor brought them also together, he brought in the health maintenance organizations, he brought in representatives of the health plans, the Blue Cross/Blue Shield. He brought in certain groups that say they represent patients: New Yorkers for Accessible Care, Coalition of Health Care Consumer Organizations. But a lot of different people.

I do not see nurses there. I do not see nurses particularly represented in the groups that are specified here, and that is unfortunate. And I am not sure that the health care consumer organizations really represent consumers, because there is no grassroots consumer organization. Nobody in my community has ever belonged to any of these New York Accessible Care organizations, but at least it was a beginning, and I want to applaud the Governor for making the beginning, and they think they have a bill, they have an agreement, which all parties will agree to and they can have legislation develop as a result.

That is a beginning. It is important to get that legislation out, it is important to have it start on a positive foot. It is a positive move forward, but there needs to be a lot of refinement, there needs to be a lot of new input from nurses. There needs to be a lot of input from patients. There needs to be a lot of input from city council people, from assemblymen, from State senators, from Congress people.

We have said that what we want is a freeze. In New York we are asking for a freeze on the situation. One of the demands for health care support certainly which is going to take place on this next Sunday, May 19, is that there be a freeze to stop the health care industry from stampeding us into a situation which will make the health care system more difficult to improve. We want to freeze so that profits will not be the utmost consideration; freeze everything for 6 months, do not do anything until more people have a chance to have input into the systems that are

being proposed for change. Do not sell any hospitals.

We have a mayor, a Republican mayor, who is obsessed with privatization; any privatization is good. So he wants to move forward and privatize. They have a situation now where \$43 million was given to, a contract was given to, an organization, and they were in such a hurry to privatize until the total contracting process was illegal. They signed the contract with a staff member, and the board had never approved it. They found out that members of the mayor's own staff had family that was later employed by this company that got the \$43 million contract. That kind of conflict of interest and nepotism was rampant. So they withdrew the contract, and now the FBI is in New York investigating the way the mayor's office puts out these contracts.

So privatization, moving at break-neck speed, will generate a lot of problems for government and for the taxpayers. Let us freeze the selling of hospitals, let us freeze the granting of contracts, let us freeze the privatization process for 6 months.

Then we are asking that we have a disclosure of current and long-term plans. Whatever the mayor has on the drawing table for his municipal hospitals, let it put it out publicly, let us see it, let us have full disclosure, let us see what the current plans are, let us see what the long-term plans are, and let us all take a look at it and have a chance to comment on it.

This is just simple democracy, the kind of democracy we used to have here in the House of Representatives. When the minority Republicans were in the minority, the Democrats shared information and we had hearings and we did not push bills through without notification. That old-fashioned democracy that we used to have here, we need it at the level of city government and we need it at the level of State government, in the health care areas. So we want full disclosure and an opportunity to comment.

And the final item is we want inclusion in the process, recognize some of the nursing organizations, and the patient organizations and the doctor organizations, recognize them officially and accept from them alternative proposals for the way the health care system is going to be restructured, accept alternative proposals and accept a process of negotiation. If the alternative proposals that are prepared by citizens groups, and we were going to set up a commission in New York, a citizens commission with representatives from the unions that are in hospitals and representatives from the patients, representatives from the nurses and other medical professionals and representatives from community leaders. With all three of those, all those groups represented, four, plus addi-

tional people, senior citizens and groups that are impacted most intentionally by health care services, if all of them are represented in the process, then we think we can negotiate systems that benefit everybody.

There is not going to be an overnight process. We know it is going to go on for a large number of years. We know that there are going to be a lot of tensions. We know we will be up against the health care industrial complex. But here is an opportunity for our health care industrial complex to show us that it can be in the interests of the people, a health care industrial complex can act to improve health care in America.

You know, I think the older I get the more I understand how America runs, and if you do not have one of these complexes, you are not going to get very far in terms of government.

We have a military industrial complex that is totally out of control and obsolete, but very powerful, and it still commands the greater part of the budget. It is now going to get an increase of \$13 billion. A military industrial complex is the kind of complex that we have to have in order to defeat Hitler's Germany. If we had not had a military industrial complex operating effectively and efficiently when it was needed, we would not have won the war, we would not have been able to stop the spread of communism. So the military industrial complex made a great contribution. It costs too much, it abused its power, it charged too much, it spent too much, and even now when the danger is over, communism is collapsed, and we have no wars of the magnitude of World War II, they want to continue to spend money and use the taxpayers' funds to make profits when it is just not moral anymore, it is not needed.

But let us salute them for what they did. Let us understand that they have to be brought under control by the taxpayers, they have to be brought under control by the Members of Congress and other legislators. It is out of control, and it is obsolete. But we need a health care—if we are going to have a health care industrial complex to move things, let us make sure the abuses that took place with the military industrial complex do not take place with the health care industrial complex, that it does not become an oppressive force dominating the budget and forcing us to cut our libraries.

We cut the budget for libraries, we cut the budget for title I, cut the budget for Head Start. Let us not cut the budgets of all these programs to keep our health care industrial complex going because we want to increase the profits. Let us make certain it is trim so that we have a complex that is providing maximum service and maybe some people will make some money, maybe they will not. Possibly they will.

Maybe we need an industrial complex in order to offset the other industrial complexes like military industrial complex and the health care industrial complex when we really need librarians, teachers, and educators, and publishers, and manufacturers of computers for schools and school construction companies.

□ 1630

You ought to get all involved in the education industrial complex. We need industrial complexes to offset industrial complexes. Maybe the future of the American economy and the future of our whole political society has a lot to do with how we balance off these complexes.

There is a banking industrial complex. The banking industrial complex is probably the wealthiest, and they have done the most harm to our society in terms of taking money out of taxpayers' pockets. The banking industrial complex pulled the largest swindle in the history of mankind. The banking industrial complex is responsible for the savings and loan swindle. The savings and loan association swindle has cost the American taxpayers already about \$300 billion. Taxpayers have paid \$300 billion to prop up the banks that were destroyed in the savings and loan banking swindles. It was not just savings and loan banks, but also other banks.

So we have the banking industrial complex that really should be brought under control, we have the military industrial complex that ought to be brought under control. Now we have a new health care industrial complex that we ought to try to get control of before it runs away and destroys large segments of the society and misuses money. But that is the way it is. These complexes are going to be there, one way or another. We have to face up to that and start looking at them with clear eyes, at what runs America.

These complexes have a lot to do with how America runs. There is an oil industrial complex. The gulf war was all about making certain that the oil industrial complex did not get put into a position where it was begging Saddam Hussein. That was a good move in terms of the fact that, in hindsight, Saddam Hussein had to be stopped.

But let us understand what is happening. Let us understand that a health care industrial complex is dangerous if it gets to the point where their drive to make money is destroying lives in America on a day-to-day basis, and therefore it must be brought under control.

One of the good things that happened this week was that the nurses came to Washington today. The nurses are here. That was good. That is in line with making America safer and more acceptable for mothers and for children and for families, very much in line. On

May 19, back in New York, we are going to, again, try to get the input of the nurses, the input of the doctors, the input of the patients into the restructuring of health care in New York City.

There are rallies being held in all five boroughs. In Brooklyn the rally is going to take place at Kingsborough Hospital on Clarkson Avenue. In Queens, it is at the Queens Hospital Center, Grand Central Parkway. In Manhattan, it is at the Harlem Hospital. In Staten Island, it is at the Staten Island University Hospital. In the Bronx, it is at Lincoln Hospital. People are getting involved.

What Americans are saying in New York, in California, in Massachusetts, and in a few other places is that we understand now what is happening. Our first demand is that you let us make democracy work. Let us get involved. Let us make certain that whatever new system is being developed is for the benefit of all the people.

I want to close by asking that all groups all across America take the time out to focus in the next few days on health care, take the time out to focus specifically on Medicaid as a part of our health care system. Medicare is a kingpin of the American health care system. Medicare is the forward step in the American health care system, Medicaid. Medicaid is the forward step, Medicare and Medicaid, but Medicaid is the forward step toward universal health care. Medicaid is for people who cannot afford health care. It is the only step our Government has taken to reach out there and say that we take responsibility for what is most basic: whether you can live and breathe and be healthy.

Medicaid is for poor people. You have to show that you are poor through a means test. The farmers who get subsidies in Kansas and other western States, they do not have to show a means test. They do not have to show they are poor. They get lots of money. The average in Kansas, I think in the last 5 years, has been \$40,000 to \$50,000 that has been given to every farm family, at least \$40,000 to \$50,000, without any strings attached in terms of you have to prove you are poor.

The Freeman in Montana, the group out there with the FBI surrounding them, they are angry because the Government wants its money back. The Freeman, the guy who heads that whole operation, owes the Government \$830,000, almost \$1 million; \$830,000-some. His ranch has been repossessed because he had a farmers home loan mortgage. He is angry and ready to kill somebody because he got away with that for so long, he received Government largesse for so long that he began to believe he had a right to it. If you tried to take it away, he would kill you.

It is that mixed up out there, out west, where the Agriculture Depart-

ment has forgiven about \$11 billion in loans. That was on the front page of the Washington Post, that \$11 billion had been forgiven, \$11 billion forgiven. So Medicaid is for people who prove they are poor.

There are some Federal subsidies, some taxpayer giveaways, that have nothing to do with you proving you are poor. You just get it because you have the right kind of connections: you are a farmer and you live in Kansas, Montana, or New Mexico, you get it. But Medicaid is for people who prove that you are poor. You have to prove that you are poor.

One-third of Medicaid funds go to poor families. Two-thirds of Medicaid funds go to nursing homes. People in nursing homes have to prove they are poor. Many people who go into nursing homes were middle-class people before they became poor enough to qualify for Medicaid. They got sick, they had problems, they had to spend a large amount of money on doctors and medicine, so they lost their income and they become eligible then to go into nursing homes, so two-thirds of the money for Medicaid goes to nursing homes. So when you get rid of Medicaid, you are getting rid of health care for poor families and you are getting rid of health care for the elderly, people in nursing homes.

There is a threat now that the Medicaid entitlement will be taken away. They are going to have block grants that go to the States. The States say, we want the money, but with the block grant there will be a limited amount of money. It will not be that every person that gets sick, every family that is poor and needs health care will get it because the Federal Government stands behind it as a right, but it will be in accordance with the amount of money available.

When the State runs out of money, if you are sick, you do not get any help. When the State runs out of money, if you need to go into a nursing home, you will not be able to go into a nursing home. The States will be in charge. There will be all kinds of new forms of corruption and all kinds of new forms of waste, because State government is the worst-run government in America.

We have had a lot of talk on the floor of this House about States should be allowed to do certain things because they are closer to the people. They are closer to the people, but they are the least visible forms of government. There are all kinds of things that go on in State governments that never get exposed, you never get to hear about. State governments usually do not keep a record of their legislative proceedings that is made available to the public. Yes, they have minutes and you can get them, but most State governments, it costs money to buy the minutes of the proceedings of the State legislature. Here you get a record every

day of what is happening on the floor of this House.

The Federal Government is very visible. The Federal Government is complicated but highly visible. There are certain things done at the State level that can never go on at the Federal Government level. There are all kinds of favor-granting, all kinds of nepotism, all kinds of things happen, all kinds of granting of contracts that would be illegal at the Federal level. But we are going to hand all this to the State government. The care of our health will be handed to the State government. State governments will be able to decide which people have disabilities. The Federal Government in the legislation that is being proposed has not defined what a disability is. A person with a disability will have to have his disability defined by the State government.

There is a conflict of interest, because the State wants to save money. They do not want to have too many people with disabilities that cost a great deal of money to take care of in terms of health care, so they will, in their attempt to save money, define away many legitimate disabilities.

State governments have a history. If you look closely at some of the monumental cases of corruption in American public life, they have happened at the State government level.

I want to close by acknowledging that on public radio this morning, National Public Radio, they talked about a State Senator in Alabama who said that "Slavery was good for black people. Slavery was good, and slavery was a form of States rights at its best. It is the best form of States' rights." That is a good example of what we are talking about. Slavery is praised as a form of States rights at its best. The States had the power to do what they wanted to do. Of course, beyond the States you had the planters and plantation owners, and anybody who owned the slave had the power to do whatever they wanted to do with a human life.

What you have, if you push the power of life and death down to the State level, is the beginning of what I call decentralized genocide. Health care is a life and death matter. If you put that in the hands of people who cannot be watched, who are not held to any Federal standard, if you put it in the hands of people who are making decisions to save money instead of providing maximum health care, if you put it into a situation where every State will be trying to outdo the other in terms of lowering its benefits, they are ratcheted down. The State with the lowest benefits will be the guide for all the other States. No State will want to have higher health care benefits than another, because if you have better health care benefits in one State than you do in another, they will say that people are going to tend to move into

the State with the better health care benefits, so everybody is going to go down to the level of the lowest common denominator.

A lot of lives will be lost in the process of going down to the level of the lowest common denominator. We will have the beginning of decentralized genocide.

There is a story in the paper about Brazil having put on trial policemen who went out and shot poor kids in the streets every night. They kept finding bodies of children. This is Mother's Day coming up. Mothers always make you think of children. Mothers and children are inseparable. Think of this, as a closing thought. In Brazil the policemen were going out to shoot down the children because the children were poor children who ran around the city all day long picking pockets, making havoc. The store owners did not like them, nobody liked them. Policemen started killing them. Now you have the policemen on trial, and the policemen are saying that they were doing what the public wanted them to do by shooting down poor children.

These are poor children who have no health care. These are poor children who have no welfare, because there is no welfare system. There is no Aid to Families with Dependent Children. When you take these steps by changing public policy so there is no aid to people who are in desperate straits, you throw them onto the streets, you create a situation where, in the end, the apparatus of the State, the police, will begin to be used to destroy people. It is a very serious matter.

As we go into Mother's Day, and really care about mothers and really care about children, we ought to resolve that we ought to take another look at the policies that are being generated on the floor of this House. We ought to take a hard look at the proposals in next week's budget that are going to cut Medicaid and Medicare. We ought to take a hard look at the effort to get rid of Medicaid as an entitlement. If Medicaid goes as an entitlement, it is the first step into systematic decentralized genocide in America.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOLDEN (at the request for Mr. GEPHARDT), for today, on account of a death in the family.

Mr. GEJDENSON (at the request of Mr. GEPHARDT), for today, on account of personal business.

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. BENTSEN) to revise and ex-

tend their remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. VOLKMER, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

Mr. KANJORSKI, for 5 minutes, today.

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. MCINTOSH, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes each day on May 13, 14, 15, and 16.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. BENTSEN) and to include extraneous matter:)

Mr. SERRANO.

Mr. LEVIN.

Mr. TORRES.

Mr. HALL of Ohio.

Mr. KENNEDY of Massachusetts.

Mr. HAMILTON.

Mr. SCHUMER.

Mr. DINGELL.

Mrs. MEEK of Florida.

Mr. LAFALCE.

Mr. BARRETT of North Carolina.

Mr. UNDERWOOD.

Mr. MCHALE.

Mrs. MALONEY in two instances.

Mr. MENENDEZ in two instances.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous material:)

Mr. GOODLING.

Mr. LINDER.

Mr. DORNAN in two instances.

Mr. SENSENBRENNER.

Mr. GILMAN.

Mr. DUNCAN.

Mr. BAKER of California.

Mr. ZELIFF.

Mr. BEREUTER.

Mr. TIAHRT.

(The following Members (at the request of Mr. OWENS) and to include extraneous matter:)

Mr. BEREUTER.

Mr. DORNAN.

Mr. LATOURETTE.

Mr. UNDERWOOD.

Mr. MCHALE.

Mr. SMITH of Michigan in 10 instances.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2137. An act to amend the Violent Crime Control and Law Enforcement Act of 1994 to require the release of relevant information to protect the public from sexually violent offenders.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly, under its previous order, the House adjourned until Tuesday, May 14, 1996, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2938. A letter from the Chair, National Commission on Libraries and Information Science, transmitting the 24th annual report of the activities of the Commission covering the period October 1, 1994, through September 30, 1995, pursuant to 20 U.S.C. 1504; to the Committee on Economic and Educational Opportunities.

2939. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Valuation of Plan Benefits in Single-Employer Plans; Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Amendments Adopting Additional PHGC Rates (29 CFR Parts 2619 and 2676) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Economic and Educational Opportunities.

2940. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Use of Electronic Media by Broker-Dealers, Transfer Agents, and Investment Advisers for Delivery of Information; Additional Examples Under the Securities Act of 1933, Securities Exchange Act of 1934, and Investment Company Act of 1940—received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2941. A letter from the Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Use of Electronic Media for Delivery Purposes (RIN: 3235-AG67) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2942. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense articles or defense services sold commercially to the International Telecommunications Satellite Organization [INTELSAT] (Transmittal No. DTC-25-96), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

2943. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 96-22: Determination Pursuant to Section 2(c)(1) of the Migration and Refugee Assistance Act of 1962, as amended, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on International Relations.

2944. A letter from the Chairman, Federal Maritime Commission, transmitting the

semiannual report on activities of the inspector general for the period October 1, 1995, through March 1, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) Sec. 5(b); to the Committee on Government Reform and Oversight.

2945. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled the "Relocation Benefits Reinvention Act of 1996"; to the Committee on Government Reform and Oversight.

2946. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation entitled the "Federal Employment Reduction Assistance Act of 1996"; to the Committee on Government Reform and Oversight.

2947. A letter from the Secretary of Agriculture, transmitting notification of the Secretary's intention to award specific watershed restoration contracts on National Forest System lands outside the standard full and open competition procedures required by the Competition in Contracting Act of 1984, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Reform and Oversight.

2948. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Marine Mammal Special Exception Permits to Take, Import and Export Marine Mammals; Update of Office of Management and Budget (RIN: 0648-AD11) received May 8, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

2949. A letter from the Assistant Attorney General, Department of Justice, transmitting the Department's final rule—Final Guidelines for the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration (RIN: 1105-AA36) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

2950. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace, Hollister, CA—Docket No. 95-AWP-13 (RIN: 2120-AA66) (1996-0017) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2951. A letter from the Acting General Counsel, Department of Commerce, transmitting a draft of proposed legislation entitled the "Weather Service Modernization Streamlining Act of 1996"; to the Committee on Science.

2952. A letter from the Deputy Assistant Administrator for Ocean Services and Coastal Zone Management, National Ocean Service, transmitting the Service's final rule—Ocean Thermal Energy Conservation Licensing Program (RIN: 0648-AI42) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

2953. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Medical; VA Health Professional Scholarship Program, Correction (RIN: 2900-AH99) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

2954. A letter from the Director, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Technical Amendments—received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2955. A letter from the Chief, Regulations Unit, Department of the Treasury, transmit-

ting the Department's final rule—Information Reporting and Backup Withholding (RIN: 1545-AL99) received May 9, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

2956. A letter from the Chairman, International Trade Commission, transmitting a draft of proposed legislation to provide authorization of appropriations for the U.S. International Trade Commission for fiscal year 1998, pursuant to 31 U.S.C. 1110; to the Committee on Ways and Means.

2957. A letter from the General Counsel, Department of Transportation, transmitting copies of the fiscal year 1997 budget requests of the Federal Aviation Administration to the Department, including requests for facilities and equipment and research, engineering, and development, pursuant to 49 U.S.C. app. 2205(f); jointly, to the Committees on Transportation and Infrastructure and Science.

2958. A letter from the General Counsel, Department of the Treasury, transmitting a draft of proposed legislation to provide for the participation of the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa; jointly, to the Committees on Banking and Financial Services, the Judiciary, and Commerce.

2959. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation entitled the "Department of Defense Civilian Intelligence Personnel Reform Act"; jointly, to the Committees on Intelligence (Permanent Select), National Security, and Government Reform and Oversight.

2960. A letter from the Director, Central Intelligence Agency, transmitting a draft of proposed legislation entitled the "Intelligence Authorization Act for Fiscal Year 1997," pursuant to 31 U.S.C. 1110; jointly, to the Committees on Intelligence (Permanent Select), National Security, the Judiciary, and Government Reform and Oversight.

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. STUMP: Committee on Veterans' Affairs. H.R. 1483. A bill to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error (Rept. 104-571). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUMP: Committee on Veterans' Affairs. H.R. 3373. A bill to amend title 38, United States Code, to improve certain veterans' benefits programs, and for other purposes (Rept. 104-572). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 3107. Referral to the Committee on Ways and Means extended for a period ending not later than May 17, 1996.

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. SMITH of New Jersey:

H.R. 3433. A bill to prohibit the Secretary of Defense from authorizing payment under defense contracts for restructuring costs of a merger or acquisition; to the Committee on National Security.

By Mr. CANADY (for himself, Mr. FRANK of Massachusetts, Mr. ZIMMER, Ms. KAPTUR, Mr. UPTON, and Mr. ENGLISH of Pennsylvania):

H.R. 3434. A bill to amend section 207 of title 18, United States Code, to further restrict Federal officers and employees from representing or advising foreign entities after leaving Government service, and for other purposes; to the Committee on the Judiciary.

By Mr. CANADY (for himself and Mr. FRANK of Massachusetts):

H.R. 3435. A bill to make technical amendments to the Lobbying Disclosure Act of 1995; to the Committee on the Judiciary.

By Mr. DINGELL:

H.R. 3436. A bill to protect the health of mothers and newborns against the premature termination of inpatient care based on denial of health coverage; to the Committee on Commerce, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HOEKSTRA:

H.R. 3437. A bill to amend the Small Business Act to exempt subcontracts for dredging activities from local buy requirements under the business development program authorized by section 8(a) of that Act; to the Committee on Small Business.

By Mr. HOEKSTRA:

H.R. 3438. A bill to suspend temporarily the duty on desmedipham; to the Committee on Ways and Means.

H.R. 3439. A bill to suspend temporarily the duty on phenmedipham; to the Committee on Ways and Means.

H.R. 3440. A bill to suspend temporarily the duty on etofomesate; to the Committee on Ways and Means.

By Mr. HUTCHINSON (for himself, Mr. BALLENGER, Mr. ARMEY, Mr. TALENT, Mr. GOSS, Mr. LARGENT, Mr. GRAHAM, Mr. PETE GEREN of Texas, Mr. HOEKSTRA, Mr. ZELIFF, Mr. NORWOOD, Mr. BAKER of California, Mr. COBLE, Mr. CALVERT, Mr. SENSENBRENNER, and Mr. DOOLITTLE):

H.R. 3441. A bill to amend the Internal Revenue Code of 1986 to reform and rename the earned income tax credit; to the Committee on Ways and Means.

By Mr. LATOURETTE:

H.R. 3442. A bill to authorize the Pyramid of Remembrance Foundation to establish a memorial in the District of Columbia or its environs to soldiers who have died in foreign conflicts other than declared wars; to the Committee on Resources.

By Mrs. LOWEY (for herself, Mr. CARDIN, Mr. DURBIN, Mr. ENGEL, Mr. FAZIO of California, Mr. FILNER, Mr. GONZALEZ, Mr. GUTIERREZ, Mrs. KENNELLY, Mr. LIPINSKI, Ms. LOFGREN, Mrs. MALONEY, Mr. McDERMOTT, Mrs. MINK of Hawaii, Mrs. MORELLA, Ms. NORTON, Ms. PELOSI, Mrs. SCHROEDER, Mr. WATT of North Carolina, and Mr. WAXMAN):

H.R. 3443. A bill to amend the Public Health Service Act to extend the program of

research on breast cancer; to the Committee on Commerce.

By Mr. SANDERS:

H.R. 3444. A bill to amend section 818 of the National Defense Authorization Act for Fiscal Year 1995 to repeal certain provisions and revise certain reporting requirements relating to payment of restructuring costs under defense contracts; to the Committee on National Security.

By Mr. SCHUMER:

H.R. 3445. A bill to make changes in Federal juvenile justice proceedings, and to foster youth development and prevent juvenile crime and delinquency; to the Committee on the Judiciary, and in addition to the Committee on Economic and Educational Opportunities, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STOCKMAN:

H.R. 3446. A bill to amend the Clean Air act and certain other environmental laws to provide regulatory relief and preserve jobs, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TATE:

H.R. 3447. A bill to amend title 5, United States Code, to provide for the forfeiture of retirement benefits in the case of a Member of Congress convicted of a felony, and for other purposes; to the Committee on House Oversight, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRISA (for himself, Mr. KING, Mr. TAUZIN, Mr. COBURN, Mr. FIELDS of Texas, Mr. KLINK, and Mr. WELLER):

H. Con. Res. 175. Concurrent resolution expressing the intention of the Congress with respect to the collection of fees or other payments from the allocation of toll-free telephone numbers; to the Committee on Commerce.

By Mr. DORNAN (for himself, Mr. STUMP, Ms. LOFGREN, and Mr. BILIRAKIS):

H. Con. Res. 176. Concurrent resolution expressing the sense of the Congress concerning the maltreatment of United States military and civilian prisoners by the Japanese during World War II; to the Committee on International Relations, and in addition to the Committee on Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ZELIFF:

H. Con. Res. 177. Concurrent resolution expressing the sense of the Congress that family members and others should support all individuals affected by breast cancer; to the Committee on Commerce.

By Mr. HAYWORTH (for himself, Mr. TAYLOR of North Carolina, Mr. HOSTETTLER, Mr. DORNAN, Mr. STUMP, Mr. BROWNBACK, Mr. HOKE, Mr. DOOLITTLE, Mr. POMBO, and Mr. BAKER of Louisiana):

H. Res. 431. Resolution expressing the sense of the House of Representatives concerning the constitutional duty of the Congress; to the Committee on the Judiciary.

By Ms. RIVERS (for herself and Mr. LUTHER):

H. Res. 432. Resolution amending the Code of Official Conduct in the Rules of the House of Representatives to prohibit a Member from soliciting or accepting campaign contributions in the hall of the House, rooms

leading thereto, or the cloakrooms; to the Committee on Standards of Official Conduct.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Mr. SAXTON.

H.R. 620: Mr. MARKEY.

H.R. 969: Mr. FAZIO of California.

H.R. 1000: Mr. CAMPBELL.

H.R. 1023: Mr. FLAKE and Mr. BURR.

H.R. 1042: Mr. STUMP, Mrs. KELLY, and Mr. BARTON of Texas.

H.R. 1050: Mrs. MINK of Hawaii.

H.R. 1210: Mr. CLYBURN.

H.R. 1483: Mr. COOLEY.

H.R. 1504: Mrs. LINCOLN.

H.R. 1892: Mr. KLUG, Mr. KIM, and Mr. EMERSON.

H.R. 1951: Mr. KLING.

H.R. 2009: Mr. CAMPBELL.

H.R. 2244: Mr. MANZULLO and Mr. DICKEY.

H.R. 2246: Mr. JACKSON and Ms. MCKINNEY.

H.R. 2247: Mr. ABERCROMBIE, Mr. BOELERT, Mr. PAYNE of Virginia, Ms. SLAUGHTER, Mr. TANNER, and Mr. TOWNS.

H.R. 2270: Mr. SOUDER, Mr. HANSEN, Mr. BARTON of Texas, Mr. CHRYSLER, and Mr. ISTOOK.

H.R. 2306: Mr. SCHAEFER, Mr. RICHARDSON, and Mr. SMITH of Texas.

H.R. 2669: Mr. HYDE, Mr. EMERSON, Mr. LIPINSKI, Mr. YOUNG of Alaska, Mr. HUTCHINSON, Mr. ROHRBACHER, Mr. KINGSTON, Mr. BAKER of Louisiana, Mr. TAYLOR of North Carolina, Mr. ISTOOK, and Mr. STOCKMAN.

H.R. 2705: Mr. BONIOR, Mr. CLAY, Mr. DELLUMS, Mr. FILNER, Mr. FOGLIETTA, Mr. FORD, Mr. KANJORSKI, Ms. MCCARTHY, Mr. MCHALE, Mr. PAYNE of New Jersey, Mr. RICHARDSON, Mr. WATT of North Carolina, Ms. BROWN of Florida, Mr. DIXON, Ms. ESHOO, Mr. FARR, Mr. FAZIO of California, Mr. FLAKE, Mr. OLVER, Mr. SERRANO, Mr. STOKES, Mr. THOMPSON, Mr. WARD, and Mr. WYNN.

H.R. 2749: Mr. HASTINGS of Washington.

H.R. 2807: Mr. JACKSON, Mr. FALEOMAVAEGA, Mr. GIBBONS, Mr. SHAYS, and Mr. SOLOMON.

H.R. 2856: Ms. DELLAURO.

H.R. 2911: Mr. CANADY, Mr. MCCRERY, and Mr. SAXTON.

H.R. 2922: Mr. BAKER of Louisiana and Mr. MANTON.

H.R. 2943: Mr. LIPINSKI.

H.R. 3076: Mr. SANFORD, Mr. MINGE, Mr. ENGLISH of Pennsylvania, Mr. PETE GEREN of Texas, Mr. HORN, Mr. DAVIS, Mr. LUTHER, and Mr. THORNBERRY.

H.R. 3090: Mr. DELLUMS and Mr. PORTER.

H.R. 3114: Mr. GRAHAM, Mr. LANTOS, Mr. SAM JOHNSON, and Mr. RAMSTAD.

H.R. 3118: Mr. EVERETT, Mr. BUYER, Mr. BACHUS, Mr. STEARNS, Mr. FOX, Mr. FLANAGAN, Mr. BARR, Mr. COOLEY, Mr. EVANS, Mr. KENNEDY of Massachusetts, Mr. CLEMENT, Mr. FILNER, Mr. BISHOP, Mr. BALDACCI, and Mr. CAMP.

H.R. 3144: Mr. BAKER of California, Mr. BE-REUTER, Mr. BOEHNER, Mr. BUNN of Oregon, Mr. BUYER, Mr. CRANE, Mrs. CUBIN, Mr. DIAZ-BALART, Mr. DOOLITTLE, Mr. DREIER, Mr. ENGLISH of Pennsylvania, Mr. FIELDS of Texas, Mr. GALLEGLY, Mr. GLICHREST, Mr. GUTKNECHT, Mr. HASTERT, Mr. HAYES, Mr. HEINEMAN, Mr. INGLIS of South Carolina, Mr. ISTOOK, Mr. SAM JOHNSON, Mrs. KELLY, Mr. KING, Mr. LIGHTFOOT, Mr. MCCRERY, Mr. MCDADE, Mrs. MEYERS of Kansas, Mr. PARKER, Mr. PORTMAN, Ms. PRYCE, Mr. ROBERTS, Mr. SALMON, Mrs. SEASTRAND, Mr. SHADEGG, Mr. SMITH of New Jersey, Mr. STEARNS, Mr. TAUZIN, Mr. THOMAS, Mr. TORKILDSEN, Mr. WALKER, Mr. WALSH, and Mr. WOLF.

H.R. 3153: Mr. WATTS of Oklahoma and Mr. WELDON of Florida.

H.R. 3173: Mr. MANTON and Mr. THOMPSON.

H.R. 3195: Mr. RIGGS.

H.R. 3199: Mrs. CHENOWETH and Mrs. CUBIN.
 H.R. 3226: Mr. JOHNSON of South Dakota.
 H.R. 3241: Mr. TORRES and Mr. STARK.
 H.R. 3246: Mr. WAXMAN.
 H.R. 3253: Mr. CANADY, Mr. BARRETT of Wisconsin, Mr. HAYWORTH, Mr. HOBSON, Mr. LIPINSKI, Mr. BACHUS, Mrs. KENNELLY, Mr. ACKERMAN, and Mr. ENGLISH of Pennsylvania.
 H.R. 3263: Mrs. COLLINS of Illinois and Mr. UNDERWOOD.
 H.R. 3272: Mr. HALL of Texas.
 H.R. 3280: Mr. BEILENSON, Mr. RUSH, Ms. ESHOO, Mrs. MALONEY, Mr. FILNER, Mr. MILLER of California, Mr. FARR, Ms. SLAUGHTER, Mr. BONIOR, Mr. COLEMAN, Mr. DELLUMS, and Mr. CARDIN.
 H.R. 3345: Mr. LEWIS of Georgia.
 H.R. 3373: Mr. BILIRAKIS, Mr. HUTCHINSON, Mr. BUYER, Mr. STEARNS, Mr. FLANAGAN, Mr.

COOLEY, Mr. CLEMENT, Mr. FILNER, Mr. BISHOP, and Mr. MASCARA.
 H.R. 3376: Mr. SMITH of New Jersey, Mr. BILIRAKIS, Mr. EVERETT, Mr. BUYER, Mr. STEARNS, Mr. FLANAGAN, Mr. WELLS, Mr. CLEMENT, Mr. FILNER, Mr. BISHOP, and Mr. MASCARA.
 H.R. 3379: Mr. MONTGOMERY.
 H.R. 3392: Mr. DEFazio, Mr. JACOBS, Mr. HINCHEY, Ms. VELAZQUEZ, and Mr. NADLER.
 H.R. 3393: Ms. WOOLSEY.
 H.R. 3421: Mr. OBERSTAR, Mrs. COLLINS of Illinois, Mr. GALLEGLY, Mr. YATES, Ms. GREENE of Utah, Mr. FUNDERBURK, Mr. MEEHAN, Mr. KENNEDY of Massachusetts, Mr. DIAZ-BALART, Mr. CONYERS, Mr. HOYER, Mr. KASICH, and Ms. SLAUGHTER.
 H.R. 3422: Mr. COBLE.
 H.R. 3423: Mr. FOX and Mr. BOEHLERT.
 H. Con. Res. 47: Mr. OLVER, Mr. ROHRABACHER, Mr. STEARNS, Mr. FLAKE, and Mr. SCOTT.

H. Con. Res. 139: Mr. BEILENSON.
 H. Res. 429: Ms. ESHOO.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS
 Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1972: Mr. FROST.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 12 by Mrs. SMITH of Washington
 On House Resolution 373: Nancy L. Johnson.