

## NAYS—181

Abercrombie	Gibbons	Ortiz
Ackerman	Gilman	Orton
Andrews	Gonzalez	Owens
Baldacci	Green	Pallone
Barcia	Gutierrez	Pastor
Barrett (WI)	Hall (OH)	Payne (NJ)
Becerra	Hamilton	Payne (VA)
Beilenson	Hastings (FL)	Pelosi
Bentsen	Hefner	Peterson (FL)
Berman	Hilliard	Peterson (MN)
Bishop	Hinchee	Pomeroy
Boehrlert	Holden	Rahall
Bonior	Horn	Rangel
Borski	Houghton	Reed
Boucher	Hoyer	Richardson
Brewster	Jackson-Lee	Rivers
Browder	Jacobs	Roemer
Brown (CA)	Jefferson	Roukema
Brown (FL)	Johnson (CT)	Roybal-Allard
Brown (OH)	Johnson (SD)	Rush
Bryant (TX)	Johnson, E. B.	Sabo
Cardin	Johnston	Sanders
Chapman	Kanjorski	Sawyer
Clay	Kaptur	Schroeder
Clayton	Kennedy (MA)	Schumer
Clement	Kennedy (RI)	Scott
Clyburn	Kennelly	Scott
Coleman	Kildee	Serrano
Collins (IL)	Klecicka	Sisisky
Collins (MI)	Klink	Skaggs
Conyers	LaFalce	Skelton
Costello	Levin	Slaughter
Coyne	Lewis (GA)	Spratt
Danner	Lincoln	Stark
de la Garza	Lofgren	Stenholm
DeFazio	Lowey	Stokes
DeLauro	Luther	Studds
Dellums	Maloney	Tanner
Deutsch	Markey	Taylor (MS)
Dicks	Martinez	Thompson
Dingell	Mascara	Thornton
Dixon	McCarthy	Thurman
Doggett	McDermott	Torkildsen
Dooley	McHale	Torres
Doyle	McKinney	Torricelli
Durbin	Meehan	Towns
Edwards	Meek	Velazquez
Engel	Menendez	Vento
Eshoo	Meyers	Visclosky
Evans	Mfume	Volkmer
Farr	Miller (CA)	Ward
Fattah	Minge	Waters
Fazio	Mink	Watt (NC)
Filner	Mollohan	Waxman
Flake	Moran	Williams
Foglietta	Murtha	Wise
Ford	Nadler	Woolsey
Frank (MA)	Neal	Wyden
Frost	Oberstar	Wynn
Furse	Obey	Yates
Gejdenson	Olver	

## NOT VOTING—10

Army	Harman	Tucker
Fields (LA)	Moakley	Weldon (PA)
Franks (NJ)	Rose	
Gephardt	Tejeda	

□ 1532

Ms. ESHOO, Mrs. ROUKEMA, Mr. STENHOLM, and Mr. ABERCROMBIE changed their vote from "yea" to "nay."

Mr. CRAMER and Mr. COX of California changed their vote from "nay" to "yea."

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.

## GENERAL LEAVE

Mr. WALSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and that I may include tabular and extraneous material on the bill, H.R. 2546.

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

There was no objection.

DISTRICT OF COLUMBIA  
APPROPRIATIONS ACT, 1996

The SPEAKER pro tempore. Pursuant to House Resolution 252 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2546.

□ 1533

## IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2546) making appropriations for the government of the district of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes, with Mr. HASTINGS of Washington in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from New York [Mr. WALSH] will be recognized for 30 minutes and the gentleman from California [Mr. DIXON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. WALSH].

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

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

Mr. Chairman, 20 years of home rule and 15 years of unrestrained spending have brought the District government to the brink of financial insolvency.

The District government has had the same mayor for 13 of those 20 years. It is very difficult sometimes to discern charisma from leadership, and when that occurs and the latter is lacking, unsuspecting citizens are left to shoulder the burden.

The bill we bring to you today will provide the District government with a total budget of \$4.97 billion for fiscal year 1996 consisting of \$4.87 billion for operating expenses and \$102 million for capital outlay. I believe \$4.97 billion is sufficient to provide adequate services given the size—68 square miles—and population—570,000—of the city. The District needs to do a better job of managing and setting priorities. It needs to be held accountable. I believe that will be done through the D.C. Financial Responsibility and Management Assistance Authority that was established earlier this year by Public Law 104-8. The authority is chaired by Dr. Brimmer, and I am confident with he and his colleagues will be successful in encouraging meaningful structural reforms and accountability in the District government.

Mr. Chairman, the \$4.97 billion consists of \$2.8 billion of the District's own funds, and \$712 million in Federal funds provided in this bill, \$1 billion in Federal grants, and \$362 million in private and other funds, and \$161 million in intra-District funds.

The \$712 million in Federal funds recommended in this bill is consistent with our 602(b) allocation in budget authority and outlays. That amount includes a Federal payment to the general fund of \$660 million as authorized in Public Law 103-373 and requested in the President's budget. In my opinion, Mr. Chairman, this payment by the Federal Government is generous.

The other part of the \$712 million is the \$52 million for the Federal contribution to the police, fire, teachers, and judges retirement funds. This amount is \$70 thousand below the President's request and reflects a reduction that was necessary in order to comply with our 602(b) allocation.

## DISTRICT'S FINANCIAL CRISIS

During fiscal year 1994 it became apparent that the District government was in serious financial trouble. The District's annual financial statement for fiscal year 1994 confirmed everyone's suspicion—the biggest annual deficit in the District's history had occurred and the government was technically insolvent.

Realizing what was about to occur, the House fifteen months ago made a decision that was long overdue. It recognized that there was very little accountability in the District government and a great deal of deception. Although the budgets in the past were balanced on paper, the city was overspending its budget and would soon be out of cash unless it changed its ways. The House, on a bipartisan basis, voted to cut the District's spending by \$150 million—no change was made to its revenues.

When the bill came out of conference last year the reductions were \$140 million and 2,000 positions as well as a cut in the Federal payment of \$10 million.

A year later the District is still in a financial crisis.

## FINANCIAL MANAGEMENT AUTHORITY

Recognizing this the Congress in April of this year created a Financial Responsibility and Management Assistance Authority. The Authority became operative in June and in the last 5 months has made some tough decisions. I have a lot of confidence in the Authority and believe it is headed in the right direction to bring the District government back from the brink of financial disaster to a sound financial footing.

## BILL APPROPRIATES ALL REVENUE SOURCES

Unlike past years, our bill this year appropriates all of the District's revenues which include the Federal payment, local taxes and other local revenues, and Federal and other grants. In past years the bill did not include Federal and other grants which were considered nonappropriated revenues. The

independent audit for fiscal year 1994 showed that two-thirds of the District's \$335 million deficit was due to this nonappropriated category.

#### ACTION BY DISTRICT

While the bill does not go as far as some think it should, our actions at the subcommittee level have resulted in what I believe to be positive action by the District. The day after our markup the Board of Education voted to allow the Superintendent to use his discretion in contracting out the management of any of the 164 public schools. According to the press the Board as well as the Mayor and Council are taking a look at the salaries of school board members which are said to be the highest in the country. City officials have agreed to turn over the Blue Plains sewage treatment plant to an independent authority under a pact with suburban governments.

One of the Council members introduced a bill to consolidate the District government's economic development entities into a single unit to cut costs and improve services. In addition, the Council Chairman sent up a draft copy of a bill to establish a pension plan for new hires that will not have any unfunded liability.

So all in all I believe our actions are getting some results even though the legislative provisions were dropped from our bill in our subsequent markup on October 19. Instead of including the language in our bill, we are asking the Financial Authority to review several matters listed on pages 7, 8 and 9 of the report and try to resolve them at the local level and report to the Congress in March 1996 on the disposition of the items and recommendations for resolving those that are still outstanding at that time.

It is vitally important that District officials try to change the culture that has contributed greatly to the city's financial predicament.

#### HIGH PER CAPITA COSTS

Another top priority of the Authority will have to be—and I reiterate the words "have to be"—getting the per capita costs of operating the District under control. By almost every measure the cost of delivering services here in the District is the highest around. According to a Congressional Research Service comparison of the District of Columbia to cities of comparable size for fiscal year 1992, the District had the highest per capita costs for police, fire, education and welfare services.

To provide police protection in 1992 the District government spent \$467 per person compared to \$248 for the city of Boston, MA. Regarding Emergency Assistance Services, the City Auditor recently reported that a "comparison between the District and neighboring jurisdictions revealed that the District provided the most generous emergency assistance benefits in the region during fiscal years 1993 and 1994. The District provided benefits up to a maximum of \$4,350, while Prince George's and Montgomery Counties in Maryland limit

their maximum benefits to \$750." The City Auditor's report goes on further to say that "the District lags behind in receiving its full share of the 50 percent Federal reimbursement through participation in the Emergency Assistance Services program sponsored by the U.S. Department of Health and Human Services." This occurs because of deficiencies in meeting certain Federal documentation requirements, so therefore the District has to pick up the full cost of the program when they cannot provide the documentation.

#### "WASTE" IN DISTRICT GOVERNMENT

It is waste such as this which I believe is causing a lot of the city's problems. Recently the court-appointed Receiver of the District's foster care services discovered another instance of waste. According to press reports, and I quote: "Miller (the court-appointed receiver) said that in an astounding example of lax cost control, his staff discovered that the agency is paying an additional \$5,000 a month rent for cafeteria space in the basement of (a building) without ever having installed the cafeteria." Miller goes on to talk about other problems like a questionable \$25 million data-processing contract. The point is that this and so many other reports and testimonies we have had seem to indicate that there is a lot of waste going on in the District and if we can at least begin to eliminate some of this we may see some of those high per capita costs come down.

#### ACCOUNTABILITY

We need accountability in the District government, both for finances as well as the delivery of services. We are hopeful that the Authority will begin to show the kind of results we are all looking forward to, and we hope that this will be done in an atmosphere of cooperation with the Mayor and City Council.

#### CONCLUSION

We are all in this together and we each have to accept our role in this process of making our Nation's Capital the urban jewel it should be. It is Congress' role to appropriate. The Authority's role is to formulate the financial controls and the process to improve services so that the city can perform its role, which is to execute and carry out that process in a disciplined and professional manner.

We hope much will be accomplished this year so that we do not see more of the city's operations falling under court orders or into receivership. That is the final action that will need to be taken if the city cannot get control of its spending and reduce its costs to reasonable levels.

Other very important issues, such as tax reform and health and welfare issues, will also have to be reviewed by the authorizing committees. These reforms will be needed to revitalize the economy of the District and will be the subject of many discussions and possible future legislation.

In closing, I want to thank all of the members of our subcommittee for their

assistance in bringing this bill to the Committee.

Mr. BONILLA of Texas, Mr. KINGSTON of Georgia, Mr. FRELINGHUYSEN of New Jersey, Mr. NEUMANN of Wisconsin, Mr. DIXON of California, the ranking member of our subcommittee who served as chairman for the past 15 years, Mr. DURBIN of Illinois, and Ms. KAPTUR of Ohio.

Also Mr. Chairman, I want to thank the staff for a job well done under some very difficult circumstances.

John Simmons of my personal staff has done an outstanding job in coordinating between the Speaker's office, the appropriations and authorizing committees, the Speaker's task force and Members' officers.

Mary Porter who does an excellent job keeping track of the numbers. I am told she has been doing this for the Committee for 35 years—she started back when our departed colleague Mr. Natcher first became chairman of the DC Subcommittee. She is detailed to the Committee from the District government and works with the numbers when they are first put together in the Mayor's budget office, and follows them through the Council, the House, the Senate and conference. She is to be commended for the high quality of her work as well as for her endurance and perseverance.

Mike Fischetti is on loan from GAO. He is a CPA and a certified fraud examiner who is in great demand these days. We are very fortunate to have the benefit of his expertise and analysis.

And of course Migo Miconi, who has been on the staff for longer than he cares to admit.

Each of them does an excellent job and together they make a great team.

Mr. Chairman, I believe the bill we bring to the House today is a good bill and one that the District can live with.

At the appropriate time I will offer a managers amendment to clarify language concerning adoptions by unmarried couples.

Mr. Chairman, I strongly recommend this bill to my colleagues and urge an "aye" vote.

□ 1545

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

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

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

Mr. DIXON. Mr. Chairman, I rise today in opposition to this bill. I do so with great reluctance because while I do not always agree philosophically with the distinguished gentleman from New York, I realize that and understand that we both respect each other's opinions. I commend Chairman WALSH for his work on a very difficult bill, for his sincere efforts to bring the District back to financial health.

I also want to thank the staff that he just mentioned, Migo Micone, Mr. John Simmons, Mike Fischetti, and Mary

Porter, and a special thanks to the minority consultant on this bill, Cheryl Smith.

Additionally, I would like to throw an accolade to the delegate from the District of Columbia, the gentlewoman from the District of Columbia [Ms. NORTON]. She has done yeoman's work in trying to work with both Republicans and Democrats to craft a better bill for the District. She has been tireless in her efforts to facilitate agreements between all of the various parties that have competing interests in this bill.

This bill is important for what it does not contain as much as for what it does contain. In particular, I commend the chairman, the gentleman from New York [Mr. WALSH], for decisions to drop some 40 legislative provisions from the bill that would have created considerable controversy and delayed consideration of this matter. In this respect, the bill has been greatly improved over earlier versions.

I also want to commend our chairman, the gentleman from New York [Mr. WALSH], for recommending the full Federal payment for the District. This bill includes \$660 million for the Federal payment in fiscal year 1996, the full authorized amount, and \$52 million for the Federal contributions to the District's retirement funds for police, fire, judges, and teachers. There has been no disagreement on these funds, and they are fully provided for in this bill.

Unfortunately, though, notwithstanding the good parts of this bill, this bill falls far short. We all know that the District is in a financial crisis. Yet this bill imposes a spending cap of \$4.867 billion on the District of Columbia's operating budget for fiscal year 1996. The spending cap will force the Mayor, under the direction of the District of Columbia Financial Control Board, to allocate \$256 million in additional cuts below the cuts already recommended by the District of Columbia's Financial Review Board.

Mr. Chairman, this is a bad bill because it tells the District that it cannot spend all of the tax revenue it generates. Let me repeat that: all of the tax revenue that it generates from District residents. It is a bad bill, because Congress has decided, not the District nor the Financial Board, knows best about what to do in this situation. As it relates to the District, apparently, the Republican rhetoric to get the Federal Government out of the lives of Americans does not apply to the District's citizens.

Mr. Chairman, in April of this year, Congress established a new Financial Oversight Board comprised of District residents to solve the District's financial and management problems and to bring the District's budget into balance over a 4-year period. That legislation included some very tough medicine for the District including granting the Financial Oversight Board the most extensive powers of any such board in the Nation.

In September, the Mayor, the City Council, and the Financial Oversight Board reached an agreement on significant budget cuts and staffing reductions that will result in over 5,200 positions being cut from the fiscal year 1996 budget. These personnel cuts amount to a 13-percent cut from the staffing levels originally requested by the Mayor.

Yet despite these reductions, this bill would require the District to cut an additional \$256 million more than the Financial Control Board says is prudent. These cuts are not endorsed by the Financial Control Board.

Mr. Chairman, members of the Financial Oversight Board now find that months of hard working with the District officials and analyzing the District's budget have seen their figures and facts thrown out the door. I cannot understand how the majority and the gentleman from New York [Mr. WALSH] in particular can say it accepts the findings of the Control Board and they totally disagree with him.

For the first time I recall the committee has knowingly used figures in this bill that are wrong. The figures are just plain wrong. The majority continues to disregard the Control Board's recommendation that \$5.123 billion be provided for the District's operating budget in fiscal year 1996, not \$5.16 billion, not \$4.86 billion, not \$5.12 billion. This bill falls far short of the mark.

If we approve this bill, we severely undermine the credibility and the confidence of the Control Board. When the Control Board was put in place, its main responsibility was to establish under their budget how much the District Government would cost to run for the fiscal year and to recommend to us appropriate cuts. We have not accepted their figure nor have we accepted their recommendations, and so I just fail to see how we are placing any confidence in the Board that has done a stellar job thus far in this bill.

Mr. Chairman, this is a bad bill, because the District will not be able to use its own money to buy books for students, repair the schools, pick up the garbage, fight crime, maintaining other critical services for the District residents. The additional budget cuts endorsed by the majority were made without consultation with the District officials or Control Board regarding their impact on city services. These cuts are not based on sound analysis or thorough review of the budget savings that responsibly could be achieved by the District in less than a year's time nor any evaluation of the resources needed to sustain education, public safety, sanitation, public works for those who work and live in and visit the District.

This is an analysis that was conducted by the Control Board and rejected out of hand by the majority.

I will insert in the CONGRESSIONAL RECORD at the end of my statement the various documents submitted by the Financial Control Board concerning its

recommendations for the District for 1996.

Mr. Chairman, the distinguished gentleman from New York has indicated, and will indicate, that this bill will result only in an \$85 million cut for the District below the 1995 budget. In reality, this cut will be much deeper. Realistically speaking, these cuts will likely have to be made over a 9-month period, because it will take the Financial Oversight Board and the Mayor several months to determine where to make these cuts, and the choices are not pretty.

The District already owes millions to vendors who have already provided services to the city. In August, the District stopped making Medicaid payments to hospitals and health care providers because of the lack of funds. Last week, the Washington Post included an article about the inability of the District to promptly repair broken street lights and traffic signals because it owes the local utility company nearly \$4 million.

The District cannot pay health insurance premiums for city employees because of shortage of funds. Low-income citizens cannot receive timely care at D.C. General Hospital because of lack of resources to purchase supplies and to retain medical personnel. Distraught firefighters must call on surrounding jurisdictions to fight two-alarm fires because funding shortages have prevented them from maintaining the fleet of fire trucks.

Many believe the District's schools are among the worst in the Nation, and that is why we will be debating the Gunderson education reform package later in this bill. Yet this bill cuts funds that could be used to hire teachers, to buy books and repair schools, to provide the city, this city, with the quality of education that I think we all agree it deserves.

This bill will make this bad situation only worse.

Finally, Mr. Chairman, this is a bad bill because it clearly violates the home rule of the District of Columbia and has nothing to do with the financial situation here. The bill amends the code to ban all Federal and local funding for abortion and would ban even privately funded abortions conducted in District-operated or funded facilities except to save the life of the mother, rape, or incest. These restrictions go far beyond any previous restrictions in the District of Columbia appropriations bill. They simply do not belong in this bill.

Second, the bill amends the local statutes to dictate to District residents who may or may not adopt a child in the District of Columbia. This provision simply does not belong in this bill and has nothing to do with the financial condition of this city.

Mr. Chairman, these are policy decisions that severely trample the rights of District residents to make their own

judgments about the matters through their elected officials. The inclusion of these provisions in this bill is even more outrageous because, with the exception of the Delegate from the District of Columbia, many Members of this body have no accountability to the District.

Mr. Chairman, the President has indicated that he will veto this bill because the budget cuts are too deep and the home-rule violations are intrusive.

The bill should be defeated.

Finally, Mr. Chairman, I want to once again acknowledge the hard work of the chairman, the gentleman from New York [Mr. WALSH]. He has taken a lot of heat on this bill. We just disagree with the judgment that the way to get the finances in order in this community is, first, to use the wrong numbers so the cuts turn out to be greater than he says, not 148, but 256; that, in fact, the way to do it is just to arbitrarily take the 250 and tell the Control Board to make those cuts.

Second, we disagree that now that the Republicans are in control they can do whatever they want to, they can bring up any bill they want to on abortion, they can bring up a clean bill to affect the NEA or any of the other 26 organizations that they want to.

Those matters do not belong in the financial condition of the bill; but, nevertheless, I understand his dilemma.

The materials referred to are as follows:

DISTRICT OF COLUMBIA FINANCIAL  
RESPONSIBILITY AND MANAGEMENT  
ASSISTANCE AUTHORITY,

*Washington, DC, October 20, 1995.*

Hon. JULIAN DIXON,

*Ranking Minority Member, Subcommittee on the District of Columbia, Committee on Appropriations, House of Representatives, Washington, DC.*

DEAR MR. DIXON: I am writing in response to your October 19, 1995 letter regarding recent actions taken by the House Appropriations Subcommittee on the District of Columbia.

The Authority is aware that the Subcommittee's actions, if passed by the Congress and signed into law by the President, will result in fiscal year 1996 cuts to the District of Columbia of \$256 million below the \$5.123 billion level recommended by the Authority in our August 15, 1995, report to Congress.

On September 28, 1995, I wrote to Chairman Walsh to express the views of the Authority on the proposed cuts to the District's appropriations. I advised him that additional cuts below the Authority's recommendations, made without further study, could harm service delivery and have a negative impact on District residents. A copy of my letter to Chairman Walsh is enclosed.

You observed that recent statements attributed to me in the media suggested that we now support the proposed budget reductions. Actually, in the meeting with Messrs. Gingrich, Livingston, and Walsh on October 17, I was not asked whether the Board would support the lower budget ceiling. Rather, I was asked only whether we would be prepared to allocate the amount appropriated. I said we would do that.

Let me assure you that the Authority continues to stand by its recommendations on the District budget. We continue to believe that an adverse impact on the city is likely if the additional cuts become law. Many Dis-

trict agencies already are experiencing serious problems in maintaining adequate service delivery and in meeting their obligations to vendors. Cuts to levels below our recommendations would only exacerbate these problems.

Sincerely yours,

ANDREW F. BRIMMER,

*Chairman.*

Enclosure.

DISTRICT OF COLUMBIA FINANCIAL  
RESPONSIBILITY AND MANAGEMENT  
ASSISTANCE AUTHORITY,

*Washington, DC, September 28, 1995.*

Hon. JAMES T. WALSH,

*Chairman, Subcommittee on the District of Columbia, Committee on Appropriations, House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: Last week, the House Subcommittee on Appropriations for the District of Columbia marked up the District's transition budget for fiscal year 1996. The District of Columbia Financial Responsibility and Management Assistance Authority (DCFRA) has reviewed the Subcommittee's actions. We are respectfully submitting this letter because we have several concerns about the potential impact of many of those actions.

According to preliminary information on the Subcommittee mark up, the Subcommittee approved further reductions of District appropriations by \$258 million and 461 FTEs. The Authority is very concerned about these additional reductions. Public Law 104-8, which created the Authority, also laid out a process for addressing the District's financial and management weaknesses. This process for fiscal year 1996 called not only for a review of the initial fiscal year 1996 transition budget, but also for preparation of a supplemental budget for fiscal year 1996 and a financial plan that must be approved by February 1, 1996. The special process used for fiscal year 1996 was developed because there was agreement that more information and analysis was needed before a final fiscal year budget was approved. The Authority and staff spent considerable time reviewing District documents and meeting with District officials before making both our July 15 recommendations to the District and the final recommendations contained in our August 15 report to the Congress. We believe additional reductions to the District budget, without further review and analysis, could harm service delivery and be counter-productive to the process stipulated in Public Law 104-8. The Authority also has a number of concerns about some of the other provisions that surfaced during the mark up of the District appropriations bill. I detail our concerns later in this letter.

#### BACKGROUND

Before I provide our detailed views on the various Subcommittee's amendments and other actions, I want to emphasize the careful analysis and assessment which served as a basis for the Authority's initial recommendations to the District and our final recommendations to the Congress. The District of Columbia initially submitted a budget for fiscal year 1996 to the Congress on May 8, 1995. In accordance with Public Law 104-8, Section 208(a)(1), on July 15, 1995, the Authority made recommendations on the fiscal year 1996 budget to the Major, the Council, the President, and the Congress. The Council adopted a revised fiscal year 1996 transition budget and on August 1, 1995, submitted the budget to the Authority, the President, and the Congress in accordance with Public Law 104-8, Section 208(a)(2). On August 15, 1995, the Authority issued a report to the Congress that contained recommendations for revisions to the District's fiscal year 1996 transition budget in accordance with Public Law 104-8, Section 208(a)(3).

As was intended in the legislation, the process has been iterative. The final budget based on Authority recommendations was significantly different from the original budget submitted by the District in May. Based on our recommendations, not only did the final District budget call for more than 5,000 FTE reductions, but the District also has started to develop information that will be valuable in developing the supplemental fiscal year 1996 budget and future budgets and financial plans.

As a part of this process, the Authority staff worked closely with both the District's executive and legislative branch offices. This included meetings with the Mayor, the Chairman and Members of the City Council, the City Administrator, the Director of the Budget, and the Directors and Chief Financial Officers of Several District agencies.

We analyzed numerous District-wide issues including personnel, financial management systems, and cash projections. This information, combined with a review of previous studies of the District (including the November, 1990, Rivlin report), provided the context necessary for the Authority to address District-wide issues. Furthermore, we undertook extensive analysis of current personnel levels, FTE calculations, and historical personnel patterns. This analysis was the basis of our detailed recommendations on District FTE levels. We also met with officials in the District's Office of Financial Management, City Administrator, Controller, and agency heads and Chief Financial Officers to assess the financial information management system weaknesses, and we concluded a new system is needed immediately.

In addition to our analysis of District-wide issues, we also held detailed discussions with agency officials and analyzed many aspects of agencies' budget projections. Some examples include:

District Public Schools: we reviewed personnel reports for locations and types of employees and school building utilization reports;

Medicaid within DHS: we examined cost reports and cash flow analysis to determine the reasonableness of the fiscal year 1996 projections;

District General Hospital: we met with hospital officials and reviewed management initiatives;

Department of Public Works: we reviewed historical personnel levels and studied management initiatives designed to reengineer DPW programs and improve customer service;

Department of Corrections: we analyzed staffing levels and patterns and studied the costs of housing prisoners in federal facilities.

#### VIEWS OF FTE AND FUNDING CHANGES

The Authority does not currently have final data on the District of Columbia budget as marked up by the Subcommittee. Nevertheless, it would appear from available information that total budget figures included in the draft House documents are preliminary. For example, the House Subcommittee summary budget shows total expenditures of \$4.943 billion. However, detailed agency breakouts total to \$4.867 billion.

Based on the revised District budget (August 1 budget) of \$5.148 billion and the detailed information contained in the Subcommittee's preliminary tables, the Subcommittee calls for reductions of 461 FTEs and \$258 million! The attached table illustrates these changes by appropriation title.

#### FTE changes

The Authority is very concerned about further reductions of 461 FTEs contained in the

Subcommittee budget. These reductions would have a deleterious effect on the ability of many District agencies to carry out their missions and to deliver services to residents. We are particularly disturbed by the following proposed reductions:

(1) The Department of Public Works was reduced by 146 FTEs and \$17.7 million. The Authority believes these additional reductions would be very harmful, especially since, in recent years, DPW has already taken significant cuts and reduced many upper and middle management positions. In our recommendation directing the District to allocate an additional 704 reductions, we specifically recommended that the District not allocate any of these reductions to DPW. We believed at that time that additional DPW cuts would seriously harm an agency critical to District service provision. We still believe this would be the case. Consequently, we do not support these reductions.

(2) The University of the District of Columbia was reduced by 120 FTEs, from 1,079 to 959, and by \$7 million. The Authority does not support this reduction. In meetings held with Authority staff, UDC officials noted that the revised budget of 1,079 FTEs, which reduced more than 200 FTEs from actual fiscal year 1994 levels, would adversely impact the university. In our recommendation, we urged the university to assess its undergraduate and graduate offerings as one part of its efforts to reduce costs. Cutting additional FTEs at this time before such a study is complete is not prudent.

(3) The Department of Employment Services was reduced by 86 positions. The Authority does not support this reduction and notes that this budget had already been reduced by more than 150 FTEs. At the August Budget Summit, District officials noted that any further reductions in this department could result in the loss of substantial federal grant funds, which comprise approximately one-half of this agency's budget.

(4) The Department of Human Services (DHS) was reduced by 149 FTEs. The Authority does not support this reduction. The Authority had already recommended reductions from on-board DHS staffing of 637 FTEs. As with the other reductions, further cuts without additional study could harm this critical agency which serves the District's most disadvantaged citizens.

#### *Funding and other changes*

The Subcommittee markup also contained a number of other financial and organizational changes that the Authority does not support without additional analytical study.

(1) The Office of Financial Management was reduced by more than \$30 million, which mostly consisted of funds for the new Financial Management System (FMS). The Authority strongly disagrees with this action. We recommended that \$28 million be appropriated to finance the development and installation of the FMS. However, funding for the FMS was shifted to pay-as-you-go capital project, a shift the Authority opposes. Improved financial management requires a new FMS now. By shifting FMS funding to the capital budget, the project would have to compete with other capital needs, which could delay FMS' implementation.

(2) The Inspector General's budget was decreased by an additional \$73,000. The Authority does not support this reduction. The Authority recommended that resources for this office be increased, not decreased. Public Law 104-8 created a more powerful IG, a role that could not be fulfilled if funding for the office is decreased. In a related issue, the District of Columbia Auditor staffing was nearly doubled from 12 FTEs to 22 FTEs and funding increased by more than \$300,000. The D.C. Auditor performs a valuable function, but a doubling of the staff, especially in the

face of reductions in the IG's office, is not warranted.

(3) Funding for the City Administrator's Office was more than doubled from \$4.7 million to \$9.7 million. Officials in the City Administrator's Office were not previously aware of this change and did not know the purpose of the substantial funds increase. Based on information available, the Authority does not support this funding change.

(4) The Board of Elections and Ethics' budget and FTEs were doubled. Funds increased from \$2.1 million to \$4.3 million and FTEs increased from 35 to 73. Based on information available, the Authority does not support this increase.

(5) WMATA was reduced by \$12.5 million. WMATA is jointly funded by Washington Metropolitan Area governments. Reduction of the District's subsidy could impact the entire system. Any change should be considered as part of a broader agreement. The Authority advises against making such reductions without additional study and consultation with other area jurisdictions.

(6) District employees health benefits were reduced by \$68 million. Total health benefit costs are currently \$148 million, which includes approximately 18,000 employees under the Federal Health Benefits program and the remaining employees under the District's health program. The District's Office of Personnel is planning a major restructuring of the health benefits program, but reducing funding by more than 45 percent would undoubtedly have harmful consequences for the District. Therefore, the Authority does not support this reduction.

#### VIEWES ON OTHER PROPOSALS

The Subcommittee in markup considered 40 specific provisions, some of which were approved, others of which were withdrawn. The Authority has views on a number of these proposals:

(1) Ryan White federal grant funds be disbursed by the District within 90 days. The Authority believes this is sound management and good policy, but it should not be legislated. Such a policy should not be limited to Ryan White grant funds.

(2) Directs Board of Education to: (a) contract out all food services and security services operations, and (b) develop management, data systems, and training. The Authority believes the District should be encouraged to explore these contracting out options, but the decision should be based on cost-benefit analysis, as opposed to an arbitrary mandate. The Authority agrees that management and data systems are needed. Such systems should be compatible with District-wide systems.

(3) Board of Education should maintain the number of school-based educational and clerical employees at a minimum of 7,000. The Authority believes that school-based FTEs should be set according to an agreed staffing plan, but not by mandates at arbitrary levels.

(4) establishes ceiling of 2,200 non-school based employees. As stated under provision 3, staffing should be based on a plan.

(5) Requires that DC Public Schools financial management and related information be interfaced with D.C. systems and accessible to staff of Mayor, Council, Congress, and the Authority. The Authority agrees that DCPS' system must be compatible with District-wide information.

(6) Directs School Board to develop school-by-school gross operating budget. The Authority does not believe such a provision should be mandated. Other school systems budgets should be studied to see if they budget on the basis of individual schools. The advantages and disadvantages should be weighed, but the decision whether to adopt this type of budget delineation should be left to school officials.

(7) Requires escrowing of motor vehicle fuel taxes. The Authority is opposed to this provision. Recently enacted legislation allowed the District to receive highway funds with a delayed match. This legislation required the establishment of a fund to provide for these matches in the future. The fund was established, but Congress did not mandate the funding mechanism. However, the Authority plans to review these requirements and to provide assurance that the provisions are carried out. Without knowing the total amount of fuel tax and matching funds, setting up a fund escrowing these amounts would be ill advised.

(8) Work rules for police, firefighters, and teachers should include performance measures and the District should hire consultants to negotiate labor contracts. The Authority agrees that work rules should include performance measures, but it is opposed to mandating the retention of a consultant for labor negotiations.

(9) Requires the Inspector General to audit use of vehicles, cellular phones, fax machines, and televisions. The Authority believes that, although these issues are important and may be worthy of study, specifically requiring the IG to perform these audits is ill-advised. Areas studied by the IG should be identified in a strategic plan. The IG is required to prepare a plan in conjunction with the CFO and the Authority. Such a plan may identify other areas that are more urgent than these mandated audits. The resources of the IG should be allocated on the basis of the most critical issues to be faced.

(10) Directs District to develop a plan for a health care facility or close D.C. General by September 30, 1996. The Authority is strongly opposed to this provision. The hospital should not be forced to close at the end of the fiscal year without alternative provision for services to the most needy in the community. This would have a drastic effect on the health industry in the Washington area since other hospitals would have to absorb the uncompensated care of those displaced by D.C. General's closing. In its August 15 report to Congress on the District's Fiscal Year 1996 budget, the Authority supported a proposal to turn over control of the Hospital to a Public Benefits Corporation. The Authority also noted, however, that the Authority and the District need much more information about the new entity proposed to be created, the impact of the shift on employee rights, and other factors.

(11) Requires management assessment studies in several areas and requires the establishment of 25 inspection stations. The Authority has already recommended pilot studies in three areas: Department of Public Works, Department of Administrative Services, and Office of Personnel. The potential need for more inspection stations will be a part of these efforts.

(12) Requires preparation of budget within 15 days of enactment of the appropriation bill. The Authority agrees with this recommendation.

(13) Technical changes to the provisions establishing the Financial Responsibility Authority. The Authority agrees with this recommendation.

(14) Gives the Authority responsibility to appoint the Chief Financial Officer and Inspector General if the positions remain vacant for more than 60 days. The Authority supports this provision.

(15) Requires CFO to make appropriation allotments to each certifying and contract officer and provides that these officials who incur obligations in excess of their allotments shall be in violation of the Anti-Deficiency Act and shall be personally liable. In

these cases, these officials will be terminated without by the CFO without recourse. The Authority supports the basic concept of this provision to establish accountability for managers. However, there must be some recognition of the fact that the District is still working with the same system that was in place in the past. As pointed out by GAO and others, there are limitations to the accuracy and timeliness of the data in this system. These are the same data that officials must use to make their certifications. However, the Authority recommends that the mandatory firing provision be eliminated, especially a firing provision without recourse. The CFO should be given the authority to make all personnel decisions with respect to those peoples reporting to the CFO.

(16) Places a cap on the amount appropriated for each type of fund and requires that funds must be obligated by object class, purpose, and department. Variances require approval of CFO, Authority, and advance notice to appropriations subcommittees. The Authority generally agrees with this provision, except for advance notice to the Congress. The Authority believes quarterly reporting as required under Public Law 104-8 may be sufficient. The Authority also points out that the limitations of the current financial management system could hamper implementation of these kinds of controls. As noted previously, the Authority strongly supports the immediate development and im-

plementation of a new financial management system.

(17) Prohibits debt restructuring. The Authority is opposed to this restriction. There may be situations where debt restructuring is a prudent course of action. The Authority is required to approve such actions.

(18) Waives personnel rules to downsize workforce and prohibits buyout incentives to employees in positions that will be downsized. The Authority notes PL 104-8 waives all personnel rules if reductions are carried out as a result of an approved financial plan and budget. The Authority also believes that this is a good general rule, but there may be a case where the District would want to encourage turnover in positions that they would backfill. This should be an exceptional condition, but it should not be closed off to the District as an option.

(19) Repeals Displaced Workers Act. In general, the Authority supports eliminating barriers to privatization and therefore supports the concept of this proposal.

(20) Requires the District to develop a plan to close Lorton. Although a study of Lorton should be an integral part of future options for the District, the Authority opposes this provision because it requires closing the facility without benefit of a study. The Authority would be willing to coordinate such a study. The District should be able to consider a variety of options concerning Lorton. All actions should be the result of the Financial Plan and Budget process.

(21) Requires privatization of Blue Plains. The Authority opposes mandating the privatization of Blue Plains immediately. The Authority agrees that the problems at Blue Plains need to be immediately addressed, but Congress should allow the implementation of the existing review process and long range plan. This decision also should be left to the planning process of the local government and other jurisdictions which have a direct interest.

(22) Repeals the Clean Air Compliance Fee Act of 1994. The authority notes that, if the repeal of this provision has tax implications and changes in revenue, the likely impact should be studied before the Act is repealed or modified.

In closing, I would reiterate that the Authority feels quite strongly that the prices put in place by the District of Columbia Financial Responsibility and Management Assistance Act of 1995 should be used in order to effect positive financial and management changes in the District. This process anticipates a strong role for the Authority in ensuring financial discipline and improving services in the District. I look forward to working with you in ensuring that the process mandated by Congress benefits the District.

Sincerely yours,  
 ANDREW F. BRIMMER,  
*Chairman.*

Attachment.

DISTRICT OF COLUMBIA FISCAL YEAR 1996 BUDGET

Appropriation title:	Revised district	Authority	House	House authority	Percent change
Economic Development .....	\$142,661	\$139,335	\$121,966	-\$17,369	-12.47
Financing and Other Uses .....	273,717	343,717	271,154	-72,563	-21.11
Government Direction .....	150,721	149,793	118,290	-31,503	-21.03
Human Resources .....	0	0	0	0	.....
Health and Human Services .....	1,859,622	1,845,638	1,729,019	-116,619	-6.32
Public Education .....	800,081	789,079	780,519	-8,560	-1.08
Public Safety and Justice .....	960,747	961,559	939,672	-21,887	-2.28
Public Works .....	297,568	297,326	267,154	-30,172	-10.15
Enterprise .....	663,181	597,156	639,509	42,353	-7.09
<b>Total .....</b>	<b>5,148,298</b>	<b>5,123,603</b>	<b>4,867,283</b>	<b>-256,320</b>	<b>-5.00</b>
<b>FTE's:</b>					
Economic Development .....	1,800	1,692	1,543	-149	-8.81
Financing and Other Uses .....	-1,000	.....	.....	0	.....
Government Direction .....	1,625	1,465	1,448	-17	-1.16
Human Resources .....	.....	.....	.....	0	.....
Health and Human Services .....	6,757	6,289	6,320	31	0.49
Public Education .....	12,139	11,670	11,514	-156	-1.34
Public Safety and Justice .....	11,697	11,544	11,588	44	0.38
Public Works .....	1,914	1,914	1,768	-146	-7.63
Enterprise .....	1,309	1,197	1,129	-68	-5.68
<b>Total .....</b>	<b>36,241</b>	<b>35,771</b>	<b>35,310</b>	<b>-461</b>	<b>-1.29</b>

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY,

Washington, DC, August 15, 1995.

Hon. BOB LIVINGSTON,  
 Chairman, Committee on Appropriations,  
 House of Representatives.

DEAR MR. CHAIRMAN: This letter transmits the District of Columbia Financial Responsibility and Management Assistance Authority's (Authority) report on the District of Columbia's fiscal year 1996 budget in accordance with Public Law 104-8 Section 208(a)(3). The report contains recommendations for revisions to the District of Columbia's Fiscal Year 1996 transition budget.

These recommendations are designed to help ensure the District government makes continuous, substantial progress towards equalizing its expenditures and revenues and reducing the cumulative fund balance deficit. They also address other key goals of the legislation. As such, they not only focus on addressing the current fiscal condition of the District, but they also begin a process that will help the District ensure the appropriate and efficient delivery of services and future

financial stability. The District has already agreed to take steps to (1) develop pilot performance management projects and (2) to strengthen its financial management information infrastructure so that critical information is available not only to assess the finances of the District, but more importantly to give District officials better real-time information to manage their programs.

The Authority and its staff stand ready to respond to any questions you may have about this report. We look forward to working with you and your staff.

Sincerely yours,  
 Dr. ANDREW F. BRIMMER,  
*Chairman.*

Enclosure.

REPORT OF THE DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY ON THE DISTRICT OF COLUMBIA'S FISCAL YEAR 1996 BUDGET

The Financial Responsibility and Management Assistance Act of 1995 (Public Law 104-8) created the Authority to help eliminate District budget deficits and cash shortages; to assist the District in restructuring its or-

ganization and work force for more efficient and effective service delivery; and to ensure the long-term economic, financial, and fiscal viability of the District. The review of District budgets is one aspect of carrying out this responsibility. Therefore, the Authority's review of the fiscal year 1996 budget was a much broader look than simply an analysis of budget dollars or the number of full-time equivalent (FTE) personnel. The Authority also focused on improving the quality of services provided to the District. Authority members expressed concerns about maintaining and improving quality services for those who need it most. For example, targets for reductions are focused on administrative and mid-management level personnel, not on the employees who are in front-line service delivery positions.

Authority members have listened to many citizens at the Authority's public meetings and other forums talk about the quality of services. For example, one citizen said that essential services such as police and emergency services need to be improved. Others have talked about improvements needed in

the schools or the Department of Corrections. These citizens want and deserve an effective and efficient District Government. The District has many qualified employees who are working hard every day to deliver services to District residents. However, many of the processes for carrying out these programs are ineffective and service delivery suffers no matter how hard employees work.

In order to carry out its mandate, the Authority worked closely with both the executive and legislative branches of the District Government. In addition to detailed budget analyses by the Authority staff and frequent meetings with District staff, the Authority members held several extended sessions with the Mayor and the Council. The Executive Director met individually with most Council Members. Although review of District government documents and meetings with District officials formed the basis of our review, a vital ingredient was the views of individual District citizens and organizations. Not only did the Authority hear oral statements from more than 100 citizens at public meetings held on July 13, 1995 and August 12, 1995, but hundreds of statements containing comments and suggestions were received by mail. In addition, Authority members and staff have heard from many citizens at community meetings.

The Authority is making a series of recommendations for revisions to the District's Fiscal Year 1996 transition budget that was enacted by the Council and transmitted to the Authority on August 1, 1995. These recommendations address a variety of topics, including management initiatives, the need for more and better information, and reductions in FTEs. After adjusting for agencies that should be removed from the FTE base, the Authority FTE recommendations call for reductions of 5,239 FTEs from the original fiscal year 1996 budget, which will result in 2,164 fewer FTEs than were on-board in June 1995. A complete discussion of the Authority's recommendations is included later in this report.

In addition to the Authority's recommendations on the transition budget, this report contains, a description of the two July 15 Authority recommendations that were satisfactorily adopted by the District in the transition budget, and a summary of the projected fiscal year 1996 revenues and expenditures taking into account these recommendations.

#### BACKGROUND

On May 8, 1995, the District of Columbia submitted a budget for fiscal year 1996 to the

Congress (original fiscal year 1996 budget). In accordance with Public Law 104-8, Section 208(a)(1), on July 15, 1995, the Authority made recommendations on the fiscal year 1996 budget to the Mayor, Council, President, and Congress (these recommendations are shown as appendix I). The Council adopted a revised fiscal year 1996 transition budget and on August 1, 1995, submitted the budget to the Authority, President, and Congress, in accordance with Public Law 104-8, Section 208(a)(2). This report contains the Authority's recommendations for revisions to the District's fiscal year 1996 transition budget in accordance with Public Law 104-8, Section 208(a)(3).

As stipulated in Public Law 104-8 Section 208(a)(3), the Authority reviewed the District's Fiscal Year 1996 transition budget to determine if it "promotes the financial stability of the District government during the fiscal year." Section 201 of Public Law 104-8 describes several standards to promote financial stability including:

The District government shall make continuous, substantial progress towards equalizing the expenditures and revenues of the District government;

The District government shall provide for the orderly liquidation of the cumulative fund balance deficit of the District government;

The financial plan and budget shall assure the continuing long-term financial stability of the District government, as indicated by factors including access to short-term and long-term capital markets, the efficient management of the District government's workforce, and the effective provision of services by the District government.

In meeting these standards with respect to the financial plan and budget, the District government shall apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices.

#### RECOMMENDATIONS FOR REVISIONS TO THE DISTRICT'S FISCAL YEAR 1996 TRANSITION BUDGET

This section outlines the Authority's specific recommendations for revisions to the District's Fiscal Year 1996 transition budget. There are three overall categories of recommendations: (1) adjustments and reductions in full-time equivalent personnel (FTEs), (2) recommendations on management initiatives, the financial plan, and total expenditures, and (3) recommendations for more information.

#### Adjustments and reductions in FTE's

Personnel is a large component of District spending. The District has 1 employee for every 13 residents. The Rivlin Commission Report<sup>1</sup> in 1990 noted that, even accounting for state and county services, the District has 40 percent more staff per 10,000 population (or nearly 15,000 more staff) than the average for 12 similar cities. This report recommended staff reductions. Personnel management is seen as a major challenge and key to the financial recovery effort. District personnel positions are financed by both appropriated and non-appropriated funds. The District reports personnel data in a variety of ways, including actual FTEs, approved FTEs, the number of personnel receiving paychecks, and full-time on-board staff. An FTE is used to measure the number of equivalent positions and takes into account how many hours are actually being worked. For example, two employees working half-time would be counted as one FTE.<sup>2</sup>

The Authority is making a series of FTE recommendations to: (1) remove agencies from the District's FTE base; (2) make adjustments for FTEs related to contracting out; (3) reduce FTEs in agencies in the Government Direction and Support and Public Education appropriation titles; and (4) request the Council to allocate another 704 FTE reductions. The Authority targeted these reductions to administrative and mid-level management positions, and not to front-line workers who actually deliver the services to District residents. For example, the Authority called for reductions in the District of Columbia Public Schools to be targeted to non-teaching positions (see page 9 for definition of non-teaching positions) that do not directly serve students. In addition, several citizens at public meetings cautioned the Authority against eliminating the jobs of front-line workers, who provide direct-services to the public.

The following recommendations result in a new FTE ceiling for the District of 35,771. This FTE ceiling is to be reached by September 30, 1996, the end of fiscal year 1996. The Authority will ask the District to develop a plan for reaching these FTE targets and monitor progress toward executing this plan throughout fiscal year 1996. This plan needs to be developed quickly and should become an integral part of the District's financial plan.

The net result of the FTE reductions are outlined in the following table:

Appropriation title	Adjusted original budget	Adjusted council	Adjusted on board June 1995	Authority recommendation	Authority less council	Authority less original	Authority less on board
Government Direction .....	1,868	1,625	1,672	1,465	(160)	(403)	(207)
Economic Development .....	1,996	1,800	1,779	1,800	0	(196)	21
Public Safety and Justice .....	11,867	11,558	11,536	11,558	0	(309)	22
Public Education .....	12,588	12,141	12,729	11,672	(469)	(916)	(1,057)
Health and Human Services .....	8,154	6,757	7,127	6,757	0	(1,397)	(370)
Public Works .....	2,207	1,914	1,636	1,914	0	(293)	278
Enterprise .....	2,330	1,309	1,456	1,309	0	(1,021)	(147)
FTE to be allocated .....				(704)	(704)	(704)	(704)
Total .....	41,010	37,104	37,935	35,771	(1,333)	(5,239)	(2,164)

The specific FTE recommendations follow. Recommendation 1A: Reduce the original budget base for FTEs (2,926) related to the Department of Public and Assisted Housing, Public Defender Service, Washington Aqueduct, and D.C. General Hospital. Adjust the 5,600 required reduction by the same proportion.

The Department of Public and Assisted Housing, Public Defender Service, Washing-

ton Aqueduct, and D.C. General Hospital were included in the original budget from which the Authority determined its 5,600 reduction. The Authority recommends they not be counted in the FTE calculations for the following reasons:

(1) The Department of Public and Assisted Housing is under the direction of a court-appointed receiver and is not presently directly

controlled by the District of Columbia government.

(2) The Public Defender Service and Washington Aqueduct employees are not District of Columbia employees.

(3) The District has proposed putting the District of Columbia General Hospital under the control of a Public Benefits Corporation. If this is done, the employees should not be

<sup>1</sup>"Financing the Nation's Capital: The Report of the Commission on Budget and Financial Priorities of the District of Columbia," November 1990.

<sup>2</sup>OMB circular A-11 defines FTE employment as the total number of regular hours, not including overtime and holiday hours worked by employees,

divided by the number of compensable hours applicable to each fiscal year (260 days or 2,080 hours in fiscal year 1995).

counted in the District's FTE budget. Further discussion of D.C. General Hospital is included under Recommendation 1B.

These agencies comprised 2,926 FTEs out of the total of 45,378 FTEs in the original fiscal year 1996 budget. When these agency FTEs are removed from the base the total remaining is 42,452 FTEs. The Authority originally recommended 5,600 reductions from the fiscal year 1996 budget. The Authority recommends reducing this number in the same proportion as the removed agencies' FTEs (2,926) or 6.45%. Thus, the 5,600 FTE reduction should be reduced by 6.45% for an adjusted total FTE reduction of 5,239. The new reduction target is a figure that is comparable to the original 5,600 reduction.

Description	FTEs
Total original fiscal year 1996 budget	45,378
Agencies eliminated from calculation:	
Public and Assisted Housing (other than local)	913
Public Defender Service	139
Aqueduct	294
D.C. General Hospital <sup>1</sup>	1,580
Revised original fiscal year 1996 total	42,452
Authority recommended reduction	5,600
Proportion of eliminated agencies in original FTE budget (2,926/45,378=6.45%)	361
Authority recommended revised reduction	5,239

<sup>1</sup> This represents the number of D.C. General employees on-board as of August 1995. The Authority used this number rather than the original fiscal year 1996 budget of 1,760 FTEs. The Authority did this to give the District credit for the reductions already achieved at D.C. General.

**Recommendation 1B: Transfer D.C. General Hospital to a Public Benefits Corporation and continue to address the issue of restructuring the manner in which health care is provided.** As noted in recommendation 1A, remove D.C. General from the District's FTE calculations. D.C. General Hospital budget should reflect no more than 1,580 FTEs (the current on-board staff).

The District of Columbia Hospital is a significant cost component of District expenditures. Funding for the hospital's operations comes largely from three sources: net patient service revenue, D.C. government appropriations, and a series of loans from the D.C. government. The table below outlines D.C. General funding sources for the last several years.

(In millions of dollars)

Year	Patient revenue (net)	D.C. appropriated subsidy	D.C. other subsidies "loans"	Total
1990	46.9	50.0	9.7	106.6
1991	70.7	59.5	18.3	148.5
1992	79.2	69.0	12.9	161.1
1993	76.8	58.8	17.1	152.7
1994	74.8	46.7	27.0	148.5
1995 <sup>1</sup>	87.4	56.7	8.9	153.0
1996 <sup>1</sup>	58.3	56.7	0	115.0

<sup>1</sup>Note.—Fiscal years 1995 and 1996 are budgeted information.

The District has proposed to turn over control of the Hospital to a Public Benefits Corporation (PBC) and to study the delivery of health care to the citizens of the District. The Authority supports the District's proposal. However, the Authority and the District need much more information about the new entity created, the impact of the shift on employee rights, and other factors. A critical part of the proposal to turn over the hospital to a Public Benefits Corporation is the need to study the entire District of Columbia health care delivery system. District officials maintain that a PBC will allow the hospital to operate independently of District procurement and personnel restrictions, which in their opinion have hampered its efficiency. The decision to turn over control of the hospital to the PBC was also supported by the Mayor's Blue Ribbon Panel on Health Care Reform Implementation. The Authority points out that even with these changes, the District is expected to continue to pay a sub-

stantial subsidy to the hospital whether it is directly operated by the District or operated by the Public Benefits Corporation. Holding down costs, including FTEs, will help to reduce this subsidy.

The Authority believes the Hospital has made progress to reduce staff to its current FTE level of 1,580. The Authority recommends that the hospital not exceed 1,580 FTEs during fiscal year 1996. The Authority members pointed out that this recommendation calls for no further reductions from the June 1995 on-board strength, and emphasized the importance of D.C. General to the safety net for those District residents who are most vulnerable. As noted in recommendation 1A, the Authority is recommending removing 1,580 FTEs from the District's FTE base. By using this on-board strength rather than the 1,760 FTEs in the budget, the Authority acknowledges the reductions already achieved.

**Recommendation 1C: Agency FTE budgets are reduced by the total amount of the contracting out initiatives (1,519 FTEs); however only five percent (77 FTEs) of the privatization initiatives should be counted toward the recommended 5,239 FTE reductions.**

The Council proposed a variety of contracting out initiatives in several District agencies and said these initiatives involved functions that totaled 1,519 FTEs. The Council also counted all of these FTEs toward the recommended FTE reductions. Contracting out city services can have substantial benefits by reducing cost and increasing efficiencies and these efforts are encouraged.

During discussions with the Authority, District officials said they expected that the efforts are encouraged.

During discussions with the Authority, District officials said they expected that the efforts would save at least five percent of the District's total cost of the providing these services. The Authority therefore recommends that five percent of the FTE's involved in these contracting out proposals be counted toward FTE reductions. All of the 1,519 FTEs are removed from the agency budgets. The table below outlines the contracting out proposals and the savings as a function of FTEs.

Agency and program	Contracting out FTE's	Amount counted toward reductions
Police: Medical services	32	2
Corrections: Medical services, inmate food services, other	352	18
Schools: Food services and security	892	45
Human services: Health services, dental services, medical affairs	201	10
Public Works: Transportation Systems Administration	42	2
Total	1,519	77

The Authority is not encouraging contracting out for every service in all parts of the District government, only in those instances where savings and administrative or management efficiencies could be achieved, and the quality of services can be improved. The Authority will monitor all contracts negotiated for these services.

The FTE adjustments to the base, the Authority recommended reductions discussed in Recommendation 1A, and the adjustments for the contracting out initiatives recommended, result in a revised FTE ceiling for District agencies of 35,771. This calculation is shown in the following table.

Description	FTE's
Total original fiscal year 1996 budget	45,378
Agencies eliminated from calculation	(2,926)
Revised original fiscal year 1996 total	42,452

Description	FTE's
Authority revised reduction	(5,239)
Contracting out reductions	(1,519)
Credit for contracting out	77

Authority recommended revised fiscal year 1996 ceiling	35,771
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**Recommendation 1D: The District should reduce 160 FTEs from the Government Direction and Support of the Council's revised fiscal year 1996 budget.**

As a part of the narrative that accompanied the Authority's July 15, 1995, recommendation to reduce 5,600 FTEs from the Fiscal Year 1996 budget, the Authority noted that "the District should focus on overhead positions and not exclusively on positions that provide a direct service to the public." Numerous citizens at the August 12, 1995, public hearing said that reductions in positions that provide services to the public will result in a decline in service. The Authority is stressing that the recommended 160 reductions not occur in those types of positions. The Government Direction and Support function contains a variety of administrative and overhead positions. The Authority believes that 160 (10%) additional FTE reductions should be made from these agencies.

**Recommendation 1E: The District should set the level of FTEs for the D.C. Public Schools at 10,167, which is the Mayor's revised budget adjusted for the Council's contracting out initiatives.**

The Council's revised budget for the District of Columbia Public Schools reduced 190 FTEs from the original fiscal year 1996 budget, not including 892 positions through contracting out as was discussed in recommendation 1B. The Mayor recommended 500 reductions from the original fiscal year 1996 budget. The Authority accepts the Mayor's FTE reduction amount. The Council had identified specific positions that should be cut. The Authority believes that the specific reductions should be determined by the Superintendent, but that the reductions should be from administrative, non-teaching positions. The Authority defined non-teaching positions as those that do not directly impact students. Positions that directly affect students include, but are not limited to, teachers, counselors, librarians, and principals.

The Authority also supports contracting out initiatives involving food services and security. The table below summarizes the Public Schools recommended reductions.

Description	FTE's
Original fiscal year 1996 budget	11,559
Cuts made by mayor	(500)
Mayor's revised budget	11,059
Council recommended contracting out of food service and security	(892)
Authority recommended FTE's	10,167

The Authority also expressed interest in the number of school buildings and noted that information provided by the Superintendent indicated a substantial number of schools were significantly under capacity. The Schools currently have a study underway to assess school facilities for capital needs, as well as capacity. The Authority will review this study and other information to assist the school's in determining the extent to which District schools can be consolidated.

**Recommendation 1F: The District should set the level of FTEs for the University of the District of Columbia (UDC) at 1,079 FTEs, which is the Mayor's budget less 48 FTEs.**



The Council recommended that UDC reduce 188 FTEs from the original fiscal year 1996 budget to 1,238 FTEs. The Mayor recommended that UDC reduce 299 FTEs to 1,127 FTEs. The District said that, as of June 1995, UDC had 1,079 FTEs on-board. District officials informed the Authority that the Mayor's recommendation of 1,127 was calculated by adding the on-board UDC strength to the 48 positions transferred from the Law School. The closing of the District of Columbia Law School has been discussed for years. The Rivlin Commission recommended closing the Law School in its November 1990 report. The Authority members are uncertain regarding the need for a District government supported law school. However, the Authority believes that the Law School's future should be determined as a part of a broader assessment of all offerings at UDC, both undergraduate and graduate. The Authority recommends accepting the Mayor's revised budget, but reducing it by an addition 48 FTEs.

Recommendation 1G: The District should transfer to the Inspector General auditor FTEs currently allocated in other agencies.

Public Law 104-8 redefined an Inspector General for the District of Columbia who was given more powers and independence to review District programs for fraud, waste, and abuse and other purposes. Since fiscal year 1994, the District has reduced staff in the current Inspector General's staff by more than half and proposed additional reductions in Fiscal Year 1996. The Authority believes the Inspector General will need a substantial increase in resources. One of the Authority's July 15 recommendations included a request for information on the number of auditors in all District agencies. (See Appendix 1 Recommendation 12.) The District in its response identified 18 auditor positions: Police (8 FTE's), Board of Education (3 FTE's), D.C. General (1 FTE), and Department of Public Works (6 FTE's). These positions should be transferred to the Inspector General's Office. The District also needs to continue the process of identifying all auditor positions in its agencies, and these additional positions should also be transferred to the Inspector General's office. The Authority notes that this will result in no net change in FTEs District-wide.

In transferring the auditor positions to the Inspector General, the IG needs to assess the background and qualifications of each individual currently filling the positions to determine if the person has the appropriate qualifications and background for the job. Centralizing the auditors under the Inspector General will provide the new Inspector General an increased staff and the flexibility to focus the resources on the priority issues requiring audit within the District government. This initial centralizing of all auditor positions under the Inspector General should not be viewed as a limitation on the new Inspector General to organize the audit function as deemed necessary and appropriate to most efficiently utilize those resources.

Recommendation 1H: The District should allocate the reduction of an additional 704 FTEs before the congressional mark-up of the District's fiscal year 1996 budget. The Authority will make these allocations if this information is not provided timely.

Implementation of recommendations 1A through 1G will result in 4,535 reductions in FTEs from the adjusted fiscal year 1996 budget, 704 short of the revised target of 5,239 FTEs. The Council proposed that 1,000 additional reductions could be achieved by offering an extension of retirement and voluntary separation incentive programs through March 1996. The Council did not allocate where the net result of these reductions

should occur. There was some concern expressed as to whether this reduction goal was achievable. The Authority believes that any reductions need to be identified at least at the appropriation level. Therefore, the Authority recommends that the District provide information to the Authority that allocates at least 704 additional FTE reductions. These reductions should be focussed on management positions and not front-line employees who provide services to the public.

These FTE reductions should also not take place in the Metropolitan Police Department or the Department of Public Works. This information should be supplied to the Authority before congressional mark-up of the District's fiscal year 1996 budget, which is expected to begin in early September 1995. If the Authority does not receive the information before the mark-up, the Authority will allocate the 704 reductions.

Recommendation 1J: Section 601 of the Enrolled Original Legislation that prevents backfilling of FTE positions resulting from any incentive program should be modified.

The Council enacted legislation that prohibits the backfilling of any vacant position resulting from the exercise of an early-out retirement, easy-out retirement, or voluntary severance incentive program. The Mayor had proposed to create a pool of 300 FTEs to be used to backfill certain positions that were critical or resulted from restructuring and reengineering of District functions. The Mayor noted that he needed the flexibility of such a pool especially in light of the proposed Council legislation. The Authority had noted that the backfilling of positions should generally be discouraged; however the Authority does not believe that the complete elimination of such backfilling is wise due to the possibility that positions critical to providing services to residents may go unfilled. The Authority recommends elimination of section 601 and believes that the backfilling of any position should follow the procedure outlined in Section 602 of the Enrolled Original legislation. This provision allows the City Administrator to certify that the position is critical before it can be backfilled. The backfilling of positions should be within the FTE limit set in the appropriation title line item.

#### RECOMMENDATIONS ON MANAGEMENT INITIATIVES, THE FINANCIAL PLAN, AND TOTAL EXPENDITURES

Recommendation 2: Eliminate \$70 million in reductions from the budget for debt restructuring. Also, make sure that cost savings from government reengineering, alternative service delivery, and recisions of board and commission members stipends are achieved.

The Authority initially recommended to the Council that plans and milestones for achieving \$70 million of management initiatives be provided to document the actions and time frames for implementing actions to reduce costs and save funds. See Appendix 1 Recommendation 2. The revised fiscal year 1996 budget from the Council includes \$70 million in savings attributable to debt restructuring, \$16 million in cost savings from government reengineering and alternative service delivery, and \$500,000 in cost reductions from board and commission recisions.

The District indicates that it will pursue a debt restructuring in fiscal year 1996 to achieve a projected debt service reduction of \$70 million. The Mayor has submitted legislation to the Council which would amend the General Obligation Bond Act of 1994 to authorize a negotiated sale of certain general obligation bonds issued by the District. However, specific plans and milestones to accomplish the restructuring are still being discussed. In addition, the District's financial

condition makes it uncertain whether such a restructuring is achievable. If these savings are achieved, they should be used to reduce the District's accumulated deficit or held in contingencies. The use of any such contingency should be approved by the Authority.

The District anticipates that it will save \$16 million in fiscal year 1996 through restructuring, privatization initiatives, and procurement reform. The projected target involves agencies and functions across the government. However, the description of the actions to be taken generally describes the program and its scope, but does not provide specific plans with steps to be taken to implement the actions and milestones for accomplishing the steps.

The budget includes cost reductions of \$500,000 to be achieved by eliminating stipends for all board and commission members except those who are full-time and certain select boards and commissions. The budget does not specify which boards' and commissions' members will not be paid.

The Authority instructs the Executive Director to work with the District to develop specific plans and milestones for management actions intended to reduce costs. Further, the Authority directs the Authority staff to monitor District initiatives to assure that progress is made in implementing the initiatives.

Recommendation 3: The authority's Executive Director will work with the City Administrator's staff and contractors hired by the city to develop the financial plan and budget in accordance with the Authority's guidance that is under development.

The City Administrator's office identified "an increase of \$2 million to provide resources to assist the government in responding to the Financial Control Board's directives." More specifically, according to District officials these funds are expected to be used to contract with public finance specialists to develop the following:

- an improved budget process and procedures,
- the financial plan and budget for fiscal year 1996,
- improved cash flow forecasting models,
- performance measurement models and tracking system, and
- re-engineering the procurement process.

The contract related to the first three items should be transferred to the new Chief Financial Officer (CFO) when appointed and the performance measurement contract should be a joint contract in which both the City Administrator and CFO participate.

Guidance for the financial plan and budget are currently being developed by the Authority staff and includes the concepts originally recommended by the Authority on July 15 (See Appendix 1) as well as the recommendations included in this report. The overall objective is to develop a comprehensive, realistic financial plan that is actually a management plan with financial effects. Accordingly, the plan needs to include not only the general operations, but also needs to incorporate the capital plan and plans for the enterprise funds and the new public benefits corporation.

Recommendation 4: Based on the current information, the total expenditures for fiscal year 1996 should be \$5.016 billion.

The District's gross budget estimate for fiscal year 1996 includes all funds and revenue sources as recommended by the Authority on July 15 (see Appendix 1 Recommendation 5). The adjustments to the Council's proposed budget are for additional personnel reductions and debt restructuring. Appendix 1 provides a summary of the District's budget with the Authority's adjustments.

The personnel savings of \$39.5 million were estimated based on \$32,000 for a vacant position and \$16,000 for a filled position. Additional adjustments may be necessary related to the following:

- additional information is provided concerning the extent to which intra-District funds are double counted in the budget estimates;

- the personnel savings do not include any savings that may be realized from federal grants and intra-District FTE's; and

- management initiatives are implemented and savings result.

The Authority is even more concerned about delivery of services by the District. Many of the issues and concerns presented by groups and individuals during the public meeting addressed specific service problems within the District. These concerns and problems are related to the fiscal crisis, but also are caused by archaic procedures, lack of equipment because repairs are needed, and insufficient nonpersonal services funds to purchase parts and supplies. The Authority believes that implementation of the performance measurement recommendation discussed later in this report will help address this concern.

The Authority instructs the Executive Director to work with the District to (1) analyze the intra-District funds to identify any double counting in the budget estimates and (2) identify any savings that may be realized from FTE reductions in federal grants and intra-District budget estimates. Before mark-up of the appropriation, the total budget of the District recommended by the Authority will be adjusted for the results of this review.

INFORMATION RECOMMENDATIONS

The Authority made a number of recommendations requesting information that should be included with the budget. The District provided a substantial amount of information in response to these recommendations, but much more is needed. The Authority expects that much of this information should be developed over the next several months. Although much of this information appears to be fundamental data that should be readily available, it is not necessarily easy to compile the data and is even more difficult to analyze and present the data in a meaningful format for higher level managers to utilize. This information will not only assist the Authority as it reviews the budget and financial plan, but more importantly will assist District managers as they develop multi-year budgets and plans and implement programs. Essential to developing and maintaining this information is the hiring of the CFO. The Authority will continue working with the Mayor in the search for a new CFO and a new Inspector General.

Recommendation 5A: Detail all major revenue and expenditure assumptions and include them in the budget documents.

The District's budget is generally developed based upon the amounts estimated in the previous year's budget rather than constructed from budget assumptions. The budget is not constructed from an identified or defined program need, such as the number of Medicaid patients receiving inpatient care multiplied by the average cost for that type of care. For the most part, the budget estimates are developed as a percentage increase or decrease from the previous year's budget estimates, which was estimated in a similar manner. Using a percentage basis to adjust budgets from one year to the next is not an uncommon practice. However, the adjusted amounts should still be assessed by those knowledgeable about the programs and operations to determine the effect on the program or service delivery or efficiencies which have to be achieved to meet the budget.

The Authority directs its staff to work with the District administration and the City Council to outline and/or develop the types of information needed to define revenue and expenditure assumptions for future budget estimates. Developing budgets based on revenue and expenditure assumptions will not only provide a better basis for making budget related decisions, but also will facilitate the development of performance measures and will provide a basis to monitor budget execution throughout each year.

Recommendation 5B: Develop a capital plan that identifies total capital needs.

The District agrees with this recommendation as proposed in Appendix 1 Recommendation 7. However, they acknowledge that a current assessment of the total capital needs does not exist and plan to enter into a professional services contract (\$1.5-2 million) to provide the technical expertise to document and produce a comprehensive capital needs assessment that complements a government operations master plan for the District government. For Fiscal Year 1996, the District plans over \$369 million in capital spending in the following appropriation title areas:

*Fiscal year 1996 planned gross capital spending*

<i>Appropriation title</i>	<i>Millions</i>
Government Direction .....	\$24,954
Economic .....	24,250
Public Safety .....	18,854
Public Education .....	22,519
Health and Human Services .....	11,730
Public Works .....	195,857
Financing and other uses/enterprise funds .....	71,334
<b>Total .....</b>	<b>369,398</b>

A task force has been formed to define the scope of work for the contract; select the contractor and coordinate their work; develop prioritization standards; and, ultimately, recommend the restructuring of the capital program. The task force expects to develop the Request for Proposal and select a contractor by October 1995. The initial needs assessment stage of this process is planned for completion to be included in the Financial Plan to be submitted on February 1, 1996. During the first phase of the contract, an assessment will be developed that details the condition of all of the District's infrastructure. In this assessment the contractor will categorize the needs and detail the condition within each category. Phase two of the contract will have the contractor assist in developing the plan including identification of funding alternatives.

The Authority instructs the Executive Director to monitor and coordinate with the task force and contractor during the development of the capital plan.

Recommendation 5C: Develop a schedule that links the District's current financing obligations with its long term financial plan.

The District agreed with the recommendation to include in the budget estimates of short- and long-term debt as proposed on July 15 as Recommendation 8 (see Appendix 1). Further refining the original recommendation, a schedule needs to be developed that links the District's current financing obligations with its long term financial plan. The amounts from expected borrowings should also be linked to the capital plan so that priorities of financing are evident from the financial plan. Other areas that should be considered in this schedule include:

- the impact on the revenue assumptions of segregating revenue streams for borrowings related to the sports arena and the convention center. In addition, the current letter of credit affects the use of property taxes by requiring escrows sooner than those utilized for the general obligation bonds;
- the District's outstanding short-term Treasury borrowings and the repayment of

these borrowings will result in decreased future revenues available for future borrowings;

- how the District will address the cash flow shortage, including how this shortfall will impact long- and short-term debt; and

- the effect of any planned refinancing on debts, including impact on the cash forecasts and the budget.

The Authority staff has asked for this information, but the District does not have this type of data readily available. This type of data is essential for any borrowings to occur and more importantly for the District's internal management of its cash and debt. The Authority instructs the Executive Director to work with the District in developing and refining the debt information for the budgets.

Recommendation 5D: Develop information on the costs associated with court orders.

A substantial portion of the District's operations are subject to court orders and consent decrees. In effect, these judicial mandates are establishing policies and directing significant segments of the District's operations and programs. Considering the scope of these orders and decrees, the District and the Authority need to establish an effective working relationship with the courts to help the District move programs out from judicial control and avoid future court orders and consent decrees. Accordingly, the District should assess its current programs and operations under court orders and consent decrees to determine the levels of compliance and relate the compliance with the available resources. The District should also identify costs that it is incurring that would not be incurred in the absence of the court order. This information could provide a basis for discussions with the appropriate court officials in resolving what can be realistically accomplished in light of the current financial crisis. The District should also assess the vulnerability of all other District programs and operations to obviate the need for future action by the courts.

The District provided information on the various court orders its operations are subject to, but the information could be improved by distinguishing between the costs of the programs that would be incurred if the programs were not subject to a court order and the additional costs that are attributable to the court orders. Refer to the Authority's July 15 recommendation 9 (see Appendix 1). For example, the entire budget for several agencies is included as a cost of the court order, which does not recognize the fact that the agency would have operated at some level without the court order. The Authority instructs the Executive Director to work with the District to develop and report more meaningful information on the court orders' costs.

Recommendation 5F: Include cash flow estimates for all funds.

The District agreed that cash flow estimates for all funds should be developed as proposed by the Authority in Appendix 1 Recommendation 10 and stated that a consolidated cash flow statement and a cash statement for all debt service escrow accounts will be prepared once a final budget for fiscal year 1996 is adopted. Cash flow statements for enterprise funds will be developed after decisions related to staffing reductions are made in response to Authority recommendations. Finally, a cash flow statement for the capital account will be based on the approved capital plan for fiscal year 1996 and borrowing assumptions related to market access or U.S. Treasury access.

The Authority instructs the Executive Director to monitor development of the various cash flow statements.

Recommendation 5F: Include information on all active grants and develop a list of grants that the District has not yet applied for but for which it may be eligible. Identify the grant funding that is at risk because of staff reductions.

The District provided a list of grants and the expenditures for each grant for the first three quarters of fiscal year 1995. However, it's not clear how this information relates to the fiscal year 1996 budget as proposed on July 15 in Recommendation 11 (see Appendix 1). The Authority instructs the Executive Director to work with the District to develop the reporting of the grant information requested.

The District's budget overview states that "the District may lose grant funding because of the staff reductions." However, the budget does not identify the grants where funding may be "lost". The Authority instructs the Executive Director to coordinate with the District in the development of the information related to the loss of grant funding due to staff reductions.

Grant funding is an important source of financing the needs of District residents, particularly in times of budget crisis. It is not acceptable to have these valued resources unavailable because the District lacks matching funds or has not applied for the grants. Furthermore, the District also needs to assure compliance with all the requirements defined for the grants, particularly the audit requirements on grant settlements, to maximize cost reimbursement.

The Authority heard from several sources that the District has not applied for all the grants for which it may be eligible and citizens questioned how the District was using federal grant money for AIDS treatment and awareness. The District needs to identify all the grants for which its programs and operations may be eligible and attempt to obtain funding from the appropriate entities for such grants.

#### JULY 15 RECOMMENDATIONS ADOPTED BY THE DISTRICT FOR THE FISCAL YEAR 1996 TRANSITION BUDGET

The District provided responses to parts of all twelve recommendations that the Authority made on July 15, 1995. These recommendations are included as Appendix 1. Two of the twelve recommendations that the Authority made on July 15, 1995 on the original fiscal year 1996 budget were incorporated in the District's fiscal year 1996 transition budget. These were recommendations to develop an improved financial management system and a recommendation to develop pilot performance management projects in the Department of Public Works, the Office of Personnel, and the Office of Administrative Services. These recommendations and District responses are discussed below.

#### *Develop an improved financial management system*

The Authority recommended that the District should immediately develop and implement an improved financial management information system. Such a system should include not only equipment and software improvements, but also improved financial controls, procedures, and training of financial management employees.

Numerous internal and external studies and audits over a number of years have highlighted problems with various aspects of the District's financial information system. The Rivlin Commission Report<sup>3</sup> in November 1990 recommended a comprehensive financial management improvement program, includ-

ing a new financial management system. Both the current interim Chief Financial Officer (CFO) and previous Ceo have recommended major financial management improvements, including better procedures and improved training, and specifically discussed developing and implementing a new financial management system. The U.S. General Accounting Office reported on June 21, 1995<sup>4</sup> that: The District's financial information and internal controls are poor. The District does not know the status of expenditures against budgeted amounts, does not know how many bills it owes, is allowing millions of dollars of obligations to occur without required written contracts, and does not know its cash status on a daily basis. Millions of dollars of bills are not entered into the Financial Management System until months and sometimes years after they are paid.

The District's financial management system consists of a 15-year old central system and at least 17 separate program systems. These separate program systems are not integrated with the central system. As a result, District Controller officials must input to the central system thousands of general journal entries that were originally entered into the individual systems. For example, at the Department of Human Services, benefit payments made under programs such as Medicaid, Aid to Families with Dependent Children, General Public Assistance, and Foster Care are computed by the program's own unique systems, which are not integrated with the city's Financial Management System. The benefit payment amounts for these programs and the associated obligations are then manually recorded in the Financial Management System by the D.C. Controller's Office after the payments are made. This results in processing delays and a lack of timely and accurate information to manage budget execution and cash flow.

The District's financial management system is not an effective tool to monitor or manage activities on the agency level. The District's current financial management system and operations do not establish agency managers as accountable for the resources at their disposal, particularly the funds available to pay for the costs of their operations. The new financial management system should incorporate a fund control system with regulatory controls that fixes responsibility with agency officials to ensure that the agency stays within authorized funding limits. Agency managers would then know the resources available to them to operate their programs and would be responsible for operating within those funding constraints.

The Congress should continue to appropriate the District's funds at the appropriation title level. The Authority would then have some flexibility to reprogram funds if necessary within the appropriations. The Authority instructs the Executive Director to assist the Congress throughout the appropriations mark up process.

The CFO would be responsible for monitoring agency use of funds and the CFO staff within each agency (the agency controllers and controller staff) would serve as the agency's source of data on the status of funds. Agency officials should be required to consult with the agency controller as to the availability of funds to cover any proposed obligations before entering into the obligation. The agency controller would be responsible for keeping the fund control system current concerning the availability of funds and reserving funds to ensure their continued availability even though the obligation

may not be finalized until a later date. The CFO could also delegate to the agency controllers the authority to certify and approve payment of all bills, invoices, payrolls and other disbursements. This certification and approval would also include a determination of the legality and correctness of the payments. The Authority also plans to monitor the District's spending throughout the fiscal year and will closely review the contracts subject to Authority approval against the transition budget initially and the fiscal year 1996 budget and financial plan when it has been developed. The Authority will also review the financial impact of the Council's legislation in context with the budgets and financial plans.

Further, the CFO should develop guidelines related to administrative discipline and/or penalties for violations and fund limitations. The Inspector General should be responsible for investigating any such violations and reporting on the violations to the CFO who would then recommend the appropriate discipline/penalty to the Mayor for imposition. The reports, including a description of the resulting discipline/penalty, should also be forwarded to the congressional authorization and appropriation committees.

The District needs to immediately purchase and implement a financial management system. But more importantly, District managers cannot effectively manage programs without drastically improved real-time financial information. This system needs to consider the needs of all users and appropriate interface with other information systems. The District should consult with other jurisdictions that have implemented new financial management systems. In order to reduce cost and shorten the time needed to implement a system, off-the-shelf systems should be considered. The District should immediately make funds available for this system, which should be implemented no later than the end of fiscal year 1996.

The District agreed with this recommendation and provided \$28 million, an increase of \$21 million from the original fiscal year 1996 budget, to replace the existing financial management system with technology that will address its current financial and informational management needs. System development and implementation will occur in the following phases:

During Phase 1 (fourth quarter of fiscal year 1995), the District will develop and prepare a Request for Proposal to contract for identification of the processes that need to be automated and interfaces with other existing District systems.

Phase 2 (first and second quarters of fiscal year 1996) will assess the existing financial management system environment, including the purpose and functions, staff, process and procedures, and technology as well as further refinement of the technology needs and procurement of the needs.

Phase 3 (third and fourth quarters of fiscal year 1996) will involve procurement of the necessary hardware and installation of the software for the new system. During this phase, processes will be redesigned and staff qualifications and the organizational structure will be addressed.

Phase 4 (fourth quarter of fiscal year 1996 and first quarter of fiscal year 1997) will be data conversion, system testing, and training.

Phase 5 (first quarter of fiscal year 1997) will be full on-line implementation.

The Executive Director will work with the District and its contractors in monitoring the development and implementation of the new financial management system and related procedures with the goal of an earlier implementation, if possible.

<sup>3</sup>Financing the Nation's Capital: The Report of the Commission on Budget and Financial Priorities of the District of Columbia, November 1990.

<sup>4</sup>District of Columbia: Improved Financial Information and Controls Are Essential to Address the Financial Crisis, GAO/T-AIMD-95-176, June 21, 1995.

*Implement pilot performance management projects*

The District agreed with the Authority's recommendation to implement pilot performance management/results-oriented programs in the Department of Public Works, the Department of Administrative Services, and the Office of Personnel. These pilots should incorporate business process re-engineering and quality management principles.

The District of Columbia is not only facing a financial crisis, it is facing a performance delivery crisis. All citizens of the District want quality services. The Authority has already received numerous comments about the poor quality of service provided by District agencies. For example, a constant comment is that citizens simply want their trash picked up. These citizens want and deserve an effective and efficient District Government. The district has many qualified employees who are working hard every day to deliver services to District residents. However, many of the processes for carrying out these programs are ineffective and service delivery suffers no matter how hard employees work.

Other jurisdictions have implemented effective results-oriented customer service approaches to many of their functions. Of particular note are the states of Florida, Minnesota, North Carolina, Oregon, Texas, and Virginia, and the cities of Sunnyvale, California and Portland, Oregon. Last December the U.S. General Accounting Office issued a report on the experiences of these states.<sup>5</sup> The experiences of these jurisdictions could help the District develop its pilot programs. The approach used by these entities focuses on program outcomes as opposed to only in-

puts and outputs. These entities have found that aligning departments and employees around results can yield such benefits as: improved service to citizens, improved productivity and elimination of extraneous programs, and better information for making budget and program decisions.

A key first step in implementing these pilots is developing information on: (1) specific programs and their cost, (2) all outputs for the selected programs, (3) the impact (outcomes expected) and methodology for achievement, (4) all constituents impacted and how their satisfaction will be measured, (5) benchmarks for programs using other jurisdictions' experiences and results, and (6) spending and performance targets to hold managers accountable. Training programs to bring worker skills in line with those needed for the new processes should be an integral part of the implementation plan.

A critical part of this process includes involving the workers, who are carrying out these tasks every day, in the development of innovative solutions. Many of the best ideas for improving the process come from the people who do the job. We want to openly solicit any and all ideas relating to District operations and suggestions to improve delivery of services.

The District responded that several initiatives are already underway in the three agencies that incorporate business process reengineering and quality management concepts. The transition budget includes an additional \$2 million to split among the three agencies to implement these initiatives. The initiatives underway include: at the Department of Public Works, household trash collection, the recycling program, and a fleet

management program; at the Office of Personnel, an effort to re-engineer the District's entire personnel system, including the planned identification of legislative changes needed to the Comprehensive Merit Personnel Act of 1978; and at the Department of Administrative Services, the development of the Excellence in Procurement Task Force.

The Authority will work with the District on these and other projects and identify individuals or organizations that can assist in the development of the pilots. The Authority members have noted that many private and public organizations in the Washington Metropolitan area have expertise in results-oriented management and they may be willing to assist the District.

SUMMARY OF REVISED FISCAL YEAR 1996 PROJECTED REVENUES AND EXPENDITURES

The District's fiscal year 1996 estimates for revenues are \$4.979 billion. These estimates are consistent with prior years' actual revenues. Based on the Authority's recommended revisions to the transition budget, the District's expenditures are estimated to total \$5.016 billion. Thus the results of operations is projected to show a deficit of \$37 million.

These estimates are based on the City Council's budget is adjusted for Authority recommendations. Additional analysis will need to be performed as the District develops assumptions for its expenditures. In addition, data is needed from the District regarding the intra-District operations. These estimates may also require adjustment based upon the District's success with its management initiatives and debt restructuring.

The table on the next page summarizes the fiscal year 1996 expenditures for the District.

(In thousands of dollars)

Appropriation title	Original adjusted budget	Adjusted council	Authority	Authority less council	Authority less original
<b>Revenue:</b>					
Taxes .....	2,449,855	2,449,855	2,449,855	0	0
Other local sources .....	271,992	271,992	271,992	0	0
Federal payment .....	660,000	660,000	660,000	0	0
Grants .....	851,532	851,532	851,532	0	0
Enterprise .....	505,113	505,113	505,113	0	0
Intra District and private .....	240,068	240,068	240,068	0	0
<b>Total revenue .....</b>	<b>4,978,560</b>	<b>4,978,560</b>	<b>4,978,560</b>	<b>0</b>	<b>0</b>
<b>Expenditures:</b>					
Government direction .....	124,122	150,721	149,793	(928)	25,671
Economic .....	144,149	142,661	141,013	(1,648)	(3,136)
Public safety .....	958,955	952,971	954,331	1,360	(4,624)
Public education .....	802,951	799,367	789,015	(10,352)	(13,936)
Health and human services .....	1,872,614	1,859,622	1,850,422	(9,200)	(22,192)
Public works .....	297,315	297,534	297,326	(208)	(11)
Enterprise .....	505,123	508,623	501,338	(7,305)	(3,785)
To be allocated .....	0	0	(11,248)	(11,248)	(11,248)
<b>Net effect of FTE changes .....</b>	<b>4,705,229</b>	<b>4,711,519</b>	<b>4,671,990</b>	<b>(39,529)</b>	<b>(33,239)</b>
Financing and other uses .....	280,654	273,717	343,717	70,000	63,063
<b>Total expenditures .....</b>	<b>4,985,883</b>	<b>4,985,236</b>	<b>5,015,707</b>	<b>30,471</b>	<b>29,824</b>
<b>Deficit .....</b>	<b>(7,323)</b>	<b>(6,676)</b>	<b>(37,147)</b>		

OFFICE OF MANAGEMENT AND BUDGET,  
Washington, DC, October 30, 1995.

STATEMENT OF ADMINISTRATION POLICY

(This statement has been coordinated by OMB with the concerned agencies.)

H.R. 2546—DISTRICT OF COLUMBIA  
APPROPRIATIONS BILL, FY 1996

(Sponsors: Livingston (R), Louisiana; Walsh (R), New York)

This Statement of Administration Policy provides the Administration's views on H.R. 2546, the District of Columbia Appropriations Bill, FY 1996, as reported by the House Appropriations Committee.

The Administration strongly objects to the \$256 million reduction that the Committee

would require the District to take in FY 1996 from the level estimated by the Financial Responsibility and Management Assistance Authority (the Authority) based on deliberations with the Mayor and District Council in September. A reduction of this magnitude would most likely result in substantial interruptions in program operations and service delivery. The Authority was established in April to assist the District in balancing its budget and improving its management structure over time. Working with the District, the Authority is committed to bringing the District's budget into balance, but within a reasonable timeframe of two to three years. It would be inappropriate for Congress to override the considered judg-

ment of the Authority on the District's budget, a responsibility that the Congress gave to the Authority in April.

The Administration strongly opposes the abortion language of the bill, which would alter current law by prohibiting the use of both Federal and District funds to pay for abortions except in those cases where the life of the mother is endangered or in situations of rape or incest. The Administration objects to the prohibition on the use of local funds as an unwarranted intrusion into the affairs of the District. In addition, the Committee bill would prohibit any abortions from being performed by "any facility owned or operated" by the District, except in cases where the life of the mother is endangered "or in

<sup>5</sup>Managing for Results: State Experiences Provide Insights for Federal Management Reforms (GAO/CGD-95-22, December 21, 1994).

cases of forcible rape reported within 30 days to a law enforcement agency, or cases of incest reported to a law enforcement agency or child abuse agency prior to the performance of the abortion." The Administration objects to this provision because it would prevent women who need legal abortion services from exercising that choice at a hospital or clinic owned or operated by the District, even if they were using their own funds. Furthermore, the Administration objects to the language that purports to require women who are victims of rape to prove that the crime was "forcible" and the language adding reporting requirements both for rape and for children who are victims of incest.

These provisions are all designed to preclude or discourage women who need legal abortions from obtaining them. For all of the reasons cited above, if the bill were presented to the President as reported by the Committee, the President's senior advisers would recommend that he veto the bill.

Additionally, the Administration has concerns regarding the request that the Authority review 28 amendments, some of which were originally introduced in the Committee's first mark-up on September 19, 1995. First, the amendments infringe on Home Rule and represent congressional micromanagement of the District government. Many of the proposed amendments involve issues that the Mayor and the City Council should work together to resolve or study, such as the effect of the Displaced Workers Protection Act on the District government or the economic impact of rent control and the feasibility of decontrolling units. The Authority was specifically mandated to assist in District budgetary and management reform. The Authority's role should not involve the review of policy issues unrelated to improving the District's financial condition.

The Administration supports the Committee's action to approve \$28 million for a new financial management system for the District of Columbia. The District should immediately develop and implement an improved financial management information system. The District's current financial information and internal controls are weak, making it difficult for city officials and managers to track expenditures and to know how much is owed.

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

□ 1600

Mr. WALSH. Mr. Chairman, I yield 4½ minutes to the distinguished gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations.

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

Mr. LIVINGSTON. Mr. Chairman, I, too, want to congratulate the gentleman from New York [Mr. WALSH] for all of his hard work. This has been an extraordinarily difficult bill. But the gentleman and the staff, both the majority and the minority, have worked diligently to bring this bill to the floor today. They are to be commended for their efforts.

Mr. Chairman, this has not been an easy course, but it is my hope the majority of the Members will vote for this bill, because I think this is the best bill we are going to get, both in terms of the needs of the American people and the needs of the District of Columbia.

I want to congratulate and thank the gentleman from California [Mr. DIXON], the ranking minority Member, for his cooperation, as well as thanking the gentleman from the District of Columbia [Ms. NORTON]. They may not support the bill at this point, we regret that fact, but at least they worked well with us to get us to this point, and we appreciate their cooperation.

Mr. Chairman, I will disagree though with what has just been said, because this is a fiscally responsible bill. It is well within the targets set by the budget resolution passed in this House only a few days ago, and in fact it cuts \$84 million from the District's budget under what was appropriated last year. We have heard a lot of talk about the fact that we are \$256 million below what the control board wants. Sure, that is their wish-list. If everything were the same, they would have asked for \$256 million more than this bill appropriates. Actually, this bill still appropriates \$84 million less than what was appropriated last year. That is pretty close to even, when you are talking about a \$5 billion bill. There is really very little difference.

Under the provision of this bill, no Federal or local funds can be used for the city-approved Domestic Partners Program. This language is identical to current law. It existed last year. This bill is designed to send a strong message that the mismanagement, the acknowledged mismanagement of District finances, cannot and will not be tolerated.

But its mission is not to leave the city in dire straits. Five billion dollars is not "in dire straits," as some D.C. officials have suggested. The fact of the matter is, there are only 570,000 residents in the District of Columbia. The amount we provided averages out to \$9,000 per resident. That is a higher per capita investment than almost any other city. In fact, probably any other city that I know of, but certainly most other cities in America. It is a considerable investment. Still we see that the services are not adequate and that there has been mismanagement and waste and inefficiency.

So it seems to me we are not being overly restrictive. In fact, I believe the city officials should embrace this bill, because almost all the authorization language which was in the bill at the outset and which was heavily complained about by the delegate and others has been stripped. Most of that authorization language has been stripped out in deference to home rule.

As a matter of fact, I might add, it was the mayor's own transition team that recommended in November of 1994 that the District "Implement a budget plan to cut expenditures in the magnitude of \$431 million and to generate additional cash of \$100 million to solve the cash crisis." The team put forth a plan to do this. Yet nothing has been done by the District Government to achieve the savings pointed out by both them, the transition team, and the Rivlin Commission, which was

headed by none other than the current director of the Office of Management and Budget, Alice Rivlin.

The Rivlin Commission report goes on to say that "The high cost of the District's government is the logical outcome of a long series of events and decisions. Although steps have been taken to reverse the process, they haven't been enough." That is Alice Rivlin.

In this bill we have honored the Control Board's request for a \$28 million new financial management system, with \$2 million immediately available for a needs analysis and investment assessment report. We believe the initiative will help the D.C. Government get its finances back on track.

The District needs to understand that the American people are serious about the need for structural reforms of the District's finances. We have invested the Control Board with tremendous power. We have given them enough money to manage and to begin the fiscal reforms that we seek from every agency and every government program that receives taxpayer dollars.

Mr. Chairman, this is a good bill. It complies with the demands by the Rivlin Commission, it complies with the promises by the city administration when they took office, and I urge our Members to vote for this bill. The next bill will only be worse.

Mr. DIXON. Mr. Chairman, I yield 9 minutes to the gentleman from the District of Columbia [Ms. NORTON].

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

Mr. Chairman, I recognize for most Members, this is just another bill. But I ask Members to recognize that for me, this is my life and my city, and your Capital City.

Mr. Chairman, the bill puts me in the worst of positions. The Mayor cannot support a bill that would wreck the city. My city council, which has gathered courage, now finds it did not do any good. The Congress has second-guessed it. And I do not know what I am going to recommend as Members come up to me and say, "Eleanor, what shall we do?" And I do not know, I must say to you, whether it would make a dime's worth of difference, whatever I recommend.

This is an appropriations bill, my friends, so let us talk about money. I have heard in this debate about "your money." Let us be clear whose money this is. More than 80 percent of the money in this bill is the hard-earned money raised in the District of Columbia from District taxpayers.

This is not your Federal payment alone. This is our money, and we cannot get our money without coming to a national legislature to get it. I hope Members are proud of that, because, if they are, they should be ashamed of that. This is not a Federal agency. This is a self-governing jurisdiction of the United States of America.

My greatest regret about this bill is how close it came to being a bipartisan bill. I do not know why four pages of home rule violations were put on the bill, but I do know that the Speaker stepped forward and said "Perhaps we can work this out," and they got off the bill. I said, "Oh, my goodness, we really are going toward bipartisanship."

I appreciate that the gentleman from New York [Mr. WALSH] cooperated in that procedure and has said that he never indeed intended to have the bill, nor did the gentleman from Louisiana [Mr. LIVINGSTON] intend to have the bill full of home rule matters that were unrelated to the appropriation.

At the end of the day, however, this bill has in fact invited other home rule violations, of a kind that only excite those who would ordinarily vote for the bill. By allowing on to the appropriation these amendments, the majority has made it impossible for me to do what I certainly desire to do, and that was to get votes on my side of the aisle. It is very hard to ask a Member to vote for you when you are asking a Member to vote against his own principles on something like abortion, especially when the amendment on abortion of the gentleman from New York [Mr. WALSH] was expected, and we have an escalated version. It makes it very difficult for all of us, and especially for me.

Whose money is this? Let us be entirely accurate. This is a Congress that is particularly excited about taxes. I bet there are few Members in this Congress who know that there is only one State that pays more taxes to the Federal Treasury per capita than I do. And yet I stand before this body representing 600,000 District residents, and I cannot vote for the bill that is before us, the bill that has my money, my taxpayers' money in it, far more than any Federal money in it.

We are No. 2 per capita. If you are from New Jersey, my hat is off to you, because you pay more taxes per capita to the Federal Government than I do. The rest of you, get in line behind me.

Nor am I here as an apologist for my own city or city government. You have not heard me say "This is a wonderful city government; why don't you vote for it?" We know the city government has problems. The city government has in fact agreed to the acceptance of a financial control board.

How many times did I go before my own people and publicly say, "Reform your own government, or the Congress may do it." So to beat up on the District government because it is not yet reformed is particularly gratuitous, since we have just put in place a financial authority to assist it in reforming. The authority just got there, and got there only in time to cut.

It is said, "Hey, why doesn't the government look wonderful yet?" The government looks about the same way it does in Syracuse and in Newark and in San Diego and Atlanta, and it needs re-

forming, and you have in place a mechanism to do that reform. And you are not respecting that mechanism when it says if you cut beyond what they are already cut, you will cut into the blood and guts of the District government and bring it down.

I do not use those words lightly. I am more accustomed to going to the District government and saying "Please, cut yourself before they cut."

We have heard a lot about the District and its responsibility. I do not know why we did not hear more about congressional responsibility. We have not heard a peep about \$5 billion in unfunded pension liability handed to the District government when home rule was given. The Congress used to pay for the pensions out of its pocket because it had access to the Treasury. It gave us that unfunded pension liability and said "Now you pay for it out of your pocket." That is \$300 million a year we pay so our cops can get their pensions. And the Federal Government and the Congress have not responded when we have said "Help us out of this, and you will help our budget and help our bond rating."

We have not heard them tell us about Medicaid, where we pay the entire cost, county and State, of Medicaid; and not one Member comes from a city that would be left standing if that were the case. And we have not heard them say a thing about State prison systems, and we are the only city in the United States that pays the full cost of State prisons. Medicaid and the State prison system, as much as anything, these are what has driven the District close to insolvency. When one talks about unfunded Federal mandates, if they hurt your State, they hurt your entire State.

The budget cuts are not cuts I oppose on their face. The financial authority said "Give us time to do the reengineering before any more cuts." Why that would not be respected is completely puzzling to me. For 2 years in a row, the District simply cannot take it off the top. That is what we are asking them to do. We are saying take it from the police department, that cannot get the cars out of the garage. We have had to raise the retirement age of the police department and cut the pay, so the police department is completely noncompetitive. We cannot recruit police. That is a danger to public safety. This shows callous disregard for innocent bystanders, the people who pay the highest taxes per capita in the United States, except for New Jersey.

The gentleman from New York [Mr. WALSH] had a case to make on the merits, and he has failed to make it. Let me make it quickly. The reasons that he did not need this reckless cut, the reasons that he did not need these amendments, are the following: On his watch, there has been the establishment of a financial authority. On his watch the District has eliminated 3,600 jobs, not 2,000 as the Congress de-

manded. On his watch, the authority has gotten 750 additional positions from the District. On his watch there has been a 12-percent give-back from District employees and 6 furlough days. On his watch there has been the initiation of a baseline audit. On his watch there has been a reduction in spending from \$3.9 billion to \$3.3 billion. On his watch, the District has made requests that are in fact going through for Medicaid savings. That should have been enough to get this bill passed within putting on this bill amendments that have chased away those who devoutly wanted to support it.

Mr. WALSH. Mr. Chairman, I thank the gentlewoman for recognizing the progress that we have made, and would submit we have a lot more to make.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. BONILLA], a member of the subcommittee.

□ 1615

Mr. BONILLA. Mr. Chairman, I thank the gentleman for this time, and I rise in strong support of the District of Columbia appropriations bill. And in the spirit of David Letterman, I have a top 10 list of reasons why Republicans and Democrats should support this in a bipartisan way.

Reason No. 10. It continues the process of restoring discipline and accountability in D.C. government.

Reason No. 9. It is the responsibility of Congress to pass a bill that provides for the operation and maintenance of the Federal city, our Nation's capital.

Reason No. 8. Prohibits the use of taxpayer dollars to implement the Domestic Partners Act.

Reason No. 7. Empowers control board to enforce the budget cap, allocate spending cuts and reprogram funds.

Reason No. 6. Eliminates over 5,000 full time city positions.

Reason No. 5. Places a spending cap at \$4.87 billion.

Reason No. 4. Appropriates \$346 million less than the Mayor originally requested.

Reason No. 3. Appropriates fewer Federal funds than last year.

Reason No. 2. Appropriates \$84 million less than last year.

And reason No. 1. It is this bill or, more than likely, no bill.

Mr. Chairman, I would also like to put in a word for an amendment I will be offering on this bill that will make it even better. Those who support adding additional funding and making it available to the District of Columbia for educational purposes will hopefully support my amendment to eliminate the special privilege allotted to the National Education Association of a property tax exemption, a privilege that is not granted to any other labor union in the District of Columbia and a privilege that should be revoked because we need to eliminate this privilege that has been on the books for a long time, granted by congressional charter.

We are not picking on the National Education Association. The IRS has already deemed it a union and it is only protected by the congressional charter that was written in the early part of the century. We need this money to be available for the District of Columbia and we hope that people will vote for this amendment on both sides of the aisle and support the District of Columbia's opportunity to garner \$1.6 million in property taxes from a very rich union in D.C.

Mr. DIXON. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. OBEY], the distinguished ranking minority member of the Committee on Appropriations.

Mr. OBEY. Mr. Chairman, this is an appropriations bill, and being an appropriations bill we are supposed to be dealing with financial issues. I do not like the fact that we have to interpose ourselves when it comes to the financial decisions of the District, that we have to interpose ourselves in their affairs, but we have no choice because the District Government has proven itself to be incapable of managing its financial affairs. Because that lack of capability has a spillover effect on taxpayers around the country, I think we have no choice but to reenter the fray.

Having said that, I would observe, however, that I do not honestly believe, given the nature of the District and given the nature of the surrounding territory, the suburbs, I do not believe that the District will ever truly be financially viable unless there is exhibited a great deal, or a great—well, I will make somebody mad if I put it that way. Let me simply say that I think persons who reside in suburbs need to recognize their financial responsibilities to the District that they use to a much greater degree than they do right now if the District is ever to be financially viable. That will probably make some people mad, too.

Having said that, Mr. Chairman, I want to deal with what I consider to be a very serious overreaching on the part of the Congress here this afternoon. It is one thing for us to make financial decisions affecting the District because we have no financial choice. It is quite another for us to become the city council for the District of Columbia on non-financial affairs and start changing D.C. law on a variety of subjects just because we do not like what D.C. law happens to be at this moment.

Example. We are being asked to make major changes in D.C. law with respect to their education system. We are being asked to make major changes in D.C. law with respect to adoption. We are being asked to single out the NEA for the loss of a tax exemption, when there are many other organizations who are also exempt from paying property taxes in the District.

Mr. Chairman, I believe that when the Congress crosses the line and gets involved in these legislative issues it does so illegitimately for one very simple reason: Because the persons who

live in the District of Columbia cannot retaliate against the elected officials who make those decisions. They have no ability to vote us in or out, unlike out constituents. And when we start making legislative decisions that affect their lives and they do not have any redress, our forefathers called that taxation without representation.

So I think that when we get into these other legislative areas, we are engaging in an illegitimate legislative act, and that is why, when they come to the floor, if they do not relate strictly to the financial problems that the District has, I will not vote for them or against them. I will simply cast a vote "present" in order to, in some small way, to protest the fact that this House is being asked to act as a mini city council and I do not think our taxpayers back home expect us to do that.

Mr. Chairman, we screw up enough of what we touch at the national level without wasting time screwing things up in the District of Columbia as well, to be blunt about it. I think that it is the height of arrogance for Members to use their power simply because in this instance we have the political ability to engage in these actions.

I would simply observe in closing that while I do not know what the proper level of the Federal payment to the District ought to be, I think the committee has a right to make a judgment on that. But when we start telling the District how it must change its law on nonfinancial items, I think we are abusing the power we have been given by our own constituents and I think we ought not to do it.

Mr. WALSH. Mr. Chairman, I yield myself 30 seconds just to clarify a couple of points just raised.

I would remind the distinguished ranking member of the full committee that the Constitution of the United States, article 1, section 8, paragraph 17, empowers the Congress of the United States to exercise exclusive legislation in all cases whatsoever over such District.

Clearly, he would not argue with the founding fathers of this Nation who suggest that this is our responsibility.

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

Mr. WALSH. I only have 5 seconds remaining.

The CHAIRMAN. The gentleman's time has expired.

Mr. OBEY. I would appreciate it if the gentleman would not mention my name if he is not going to yield to me.

The CHAIRMAN. The gentleman from New York is recognized. The gentleman from New York has the time.

Mr. WALSH. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. DAVIS].

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

Mr. DAVIS. Mr. Chairman, I rise today to lend my support and urge my fellow Members to vote in favor of H.R.

2546, the fiscal year 1996 District of Columbia appropriations bill.

Like most appropriations bills, this has some good elements to it; it has some bad element to it, and I would suggest to my colleagues that this is the first step in a long process of moving the appropriation bill through Congress and eventually getting it signed. I think the good news for the city is, as many other items are being cut around us, the appropriation level from Congress is consistent with last year's appropriations.

No one seriously doubts that the District of Columbia is in the midst of a serious financial crisis. This Congress has already laid a strong foundation for the successful resolution of the city's problems with the passage of the District of Columbia Financial Responsibility and Management Assistance Act earlier this year. The authority has been operating for 5 months. It appears to be moving ahead forcefully with its mission, but the passage of that act did not absolve Congress of either its duties or obligations to the District of Columbia.

The matter before us today, the fiscal year 1996 appropriations bill, must be passed for the District and the authority to know what parameters they must operate within from both policy and financial perspectives. The District can ask for, and the authority may recommend anything they want to Congress, but, ultimately, it is only Congress which has the power to act.

Now, more than a full month into fiscal year 1996, the House must act to move forward in the process of dealing with the city's problems rather than continuing to wring our hands and talk about them. This legislation is only the first step in what will be a year-long fiscal year 1996 appropriations process for the city.

The Financial Responsibility and Management Assistance Act established a special process for fiscal year 1996. One of the main reasons behind the creation of the authority is the lack of accurate financial information from the city. The authority and the city need substantial time to develop a more accurate picture of the true financial condition of the city.

Mr. Chairman, Congress decided to delay the submission of the District's 4-year financial plan until February 1, 1996.

Mr. Chairman, I commend the long hours of dedicated toil which Mr. WALSH, the chairman of the District of Columbia Appropriations Subcommittee and Mr. LIVINGSTON, the chairman of the Appropriations Committee have devoted to this bill. Their hard work was ably supplemented by the many invaluable contributions of Ms. NORTON and Mr. DIXON. Their efforts, aided by the valuable contribution of staff, in writing the bill and its rule mark a major step forward in this must pass legislation.

The bill before the House this afternoon should be passed because it enables this body to deliberate and work its will on the budget of our Capital City including several matters of great importance not only to the

residents of our Nation's Capital, but to citizens all across America. No other city in our Nation holds the place of Washington, DC in the hearts of the American people. The city, its monuments, museums, and most of all, its public buildings symbolize all that is great and good about the American way of life. It is our duty to give mature consideration to its affairs and to do our best to enhance our Capital City and to help steer it back to a course of fiscal responsibility.

The first year of the plan is a supplemental fiscal year 1996 budget. The supplemental budget will be a document that the authority has been intimately involved with from its inception. It will provide this Congress a second opportunity to exercise its collective oversight responsibilities for the District's finances and one with far more credibility as far as both revenue and spending estimates are concerned.

This legislation sets an overall fiscal year 1996 District spending level at \$4.867 billion. It establishes guidelines for the basic categories of the city's spending. The bill also establishes new, lower levels for FTEs. The city, under the vigilant guidance of the authority, has begun the process of reforming itself. Passage of H.R. 2546 is the next, essential step in the process. H.R. 2546 is important not only because our Nation's Capital needs a budget. It needs a budget which will enable it to move a few more steps along the road to financial stability. By moving the appropriations process forward, we come closer to meeting our responsibility for the well being of the District.

This legislation serves to further the new and vital partnership we are forging between the 104th Congress and our Nation's Capital. As this bill works its way through the legislative process it may receive further modifications. In its final form, the fiscal year 1996 District appropriation bill will be a reflection of both local and national priorities. Only by working closely together as partners can either the District of Columbia, the White House, or Congress realize our common goal—a city in which all Americans take great pride.

Once again, I commend the hard work of the members and staff who have brought us to this point in the process. I am happy to stand in strong support of this bill and urge all my colleagues to do likewise and to vote in favor of H.R. 2546.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding, and I rise as a lawyer who spent most of her life as a constitutional scholar to say that it is inappropriate to cite the Constitution of the United States for taxation without representation. It is inappropriate to cite the Constitution of the United States for overriding the consent of the governed. To do so is to defile the Constitution and to defame Madison, its principal author.

Mr. WALSH. Mr. Chairman, I yield myself such time as I may consume to say to the gentlewoman that I would suggest it is never wrong to quote from the Constitution of the United States.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. Mr. Chairman, I would never defile that five-foot-four package of constitutional genius James Madison, nor George Mason up here, who

was too old to ever be President and loved his privacy too much, but who also probably should have debated this whole thing longer.

I will not apologize for interesting myself in this Federal enclave, our beloved District. It is my job. It is the job of all 435 of us. But I do come close to feeling empathy for when we discuss domestic partnership, abortions in the District, and other issues that seem far afield from a District that, frankly, I am surprised somebody did not come up with a motion to strip it of its name, Columbia, because it is named after a dead, white, Catholic, Italian male who sailed from Spain and did not find what he was looking for.

But, nevertheless, Mr. Chairman, let me put everyone on notice about two amendments coming up here. The Bonilla-Hayes, that is a good member of the minority, Dornan amendment on tax exempt status for one of the most politically charged groups in America, the National Education Association.

My brother is a high school teacher, finishing his third decade as one of the best high school teachers I have ever watched in operation in my life. He will not join this organization because it is so politically fired up and so ideologically far left. I will avoid words like, extremist and radical, like we heard earlier in the debate.

The other is domestic partnership, Mr. Chairman. This will be a fascinating debate because in Seattle they decided they were not about to ask firemen and policemen if they do the nasty; if they have bizarre sex with their roommate. So they said it is going to apply to bonded friendships. Heterosexual females living together as friends for life, males brought together by bonding of mutual affection, vets from Vietnam who saved one another's lives.

There is going to be a strange commonsense debate on what is wrong with domestic partnership. When they have to fire, they perform certain weird sex acts.

□ 1630

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

Mr. WALSH. Mr. Chairman, just to clarify a couple of points that have been made earlier in the debate, the appropriated level in this bill is \$84 million less than last year's appropriated level. There are a lot of other numbers that have been offered. The District government requested an appropriation level; the Control Board responded to that; the subcommittee responded to that. Mr. Chairman, take all the numbers away, we end up with \$84 million less than last year.

Again, regarding the Constitution, it does clearly state that Congress has the authority and responsibility regarding the District of Columbia. The Home Rule Act was a delegation of that responsibility to the District government, but it was contingent upon the District presenting balanced budg-

ets to the Congress each and every year.

Mr. Chairman, the General Accounting Office showed us very clearly that over the last 3 or 4 years, they have not done that. They used fiscal gimmickry, they decided not to make pension payments, or they included five quarters of property tax collections in 1 year, which is impossible. There are four quarters in 1 year and they cannot get five quarters in 1 year. Mr. Chairman, they did anything and everything to make it look like the budgets were balanced. But the fact is they have not been balanced.

Mr. Chairman, we have bent over backward to continue home rule. Mr. Chairman, lately this committee has done its best to try to allow the District to continue to govern itself, and we have asked the Control Board to work with the District government to resolve some of these issues.

We are prepared to support the Control Board and give them the authority to allocate the reductions recommended in our bill. I think that is fair.

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

Mr. DIXON. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

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

The CHAIRMAN (Mr. HASTINGS of Washington). All time for general debate has expired.

Before consideration of any other amendment, it shall be in order to consider the amendment printed in House Report 104-302, if offered by the gentleman from New York [Mr. WALSH], or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as the original bill for the purpose of further amendment. Debate on each further amendment shall be limited to 30 minutes.

It shall be in order to consider each of the amendments numbered 1, 2, or 4 printed in the designated place in the CONGRESSIONAL RECORD if offered by the Member who caused each to be printed, or a designee. Each of those amendments shall be considered read, shall be debatable for 30 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition to a Member offering an amendment that has been printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.



The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1996, and for other purposes, namely:

The CHAIRMAN. Pursuant to the rule, it is now in order to consider the amendment by the gentleman from New York [Mr. WALSH].

AMENDMENT OFFERED BY MR. WALSH

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WALSH: Page 57, line 23, strike "Section" and insert "(a) IN GENERAL.—Section".

Page 58, insert after line 4 the following:

(b) NO EFFECT ON PETITIONS FOR ADOPTION FILED BY INDIVIDUAL UNMARRIED PETITIONER.—Nothing in section 16-302(b), D.C. Code (as added by subsection (a)) shall be construed to affect the ability of any unmarried person to file a petition for adoption in the Superior Court of the District of Columbia where no other person joins in the petition.

The CHAIRMAN. Pursuant to the rule, the gentleman from New York [Mr. WALSH] and a Member opposed each will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Chairman, my amendment clarifies the language in section 153 on pages 57 and 58 of the bill concerning adoptions by unmarried couples.

Mr. Chairman, the language presently in the bill amends the D.C. Code and requires that a person who joins in a petition to adopt must be spouse of the petitioner.

My perfecting amendment makes it clear that the language does not apply to individual, unmarried petitioners. In other words, a single person is permitted to file a petition for adoption, and that has always been the case.

Mr. Chairman, I urge my colleagues to support my amendment.

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

Mr. DIXON. Mr. Chairman, I am not in opposition, nor do I know of anyone who is in opposition. I am in opposition to the original underlying amendment here, but I have no objections to it.

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

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

The amendment was agreed to.

The CHAIRMAN. Pursuant to the rule, the bill is considered read through page 58, line 4.

The text of H.R. 2546, as amended, through page 58, line 4, is as follows:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1996,

\$660,000,000, as authorized by section 502(a) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-3406.1).

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), \$52,000,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, \$149,793,000 and 1,465 full-time equivalent positions (end of year) (including \$118,167,000 and 1,125 full-time equivalent positions from local funds, \$2,464,000 and 5 full-time equivalent positions from Federal funds, \$4,474,000 and 71 full-time equivalent positions from other funds, and \$24,688,000 and 264 full-time equivalent positions from intra-District funds): *Provided*, That not to exceed \$2,500 for the Mayor, \$2,500 for the Chairman of the Council of the District of Columbia, and \$2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That \$29,500,000 is used for pay-as-you-go capital projects of which \$1,500,000 shall be used for a capital needs assessment study, and \$28,000,000 shall be used for a new financial management system of which \$2,000,000 shall be used to develop a needs analysis and assessment of the existing financial management environment, and the remaining \$26,000,000 shall be used to procure the necessary hardware and installation of new software, conversion, testing and training: *Provided further*, That the \$26,000,000 shall not be obligated or expended until: (1) the District of Columbia Financial Responsibility and Management Assistance Authority submits a report to the General Accounting Office within 90 days after the date of enactment of this Act reporting the results of the needs analysis and assessment of the existing financial management environment, specifying the deficiencies in, and recommending necessary improvements to or replacement of the District's financial management system including a detailed explanation of each recommendation and its estimated cost; (2) the General Accounting Office reviews the Authority's report and forwards it along with such comments or recommendations as deemed appropriate on any matter contained therein to the Committees on Appropriations of the House and the Senate, the Committee on Governmental Reform and Oversight of the House, and the Committee on Governmental Affairs of the Senate within 60 days from receipt of the report; and (3) 30 days lapse after receipt by Congress of the General Accounting Office's comments or recommendations.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, \$139,285,000 and 1,692 full-time equivalent positions (end-of-year) (including \$66,505,000 and 696 full-time equivalent positions from local funds, \$38,792,000 and 509 full-time equivalent positions from Federal funds, \$17,658,000 and 260 full-time equivalent positions from other funds, and \$16,330,000 and 227

full-time equivalent positions from intra-District funds): *Provided*, That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Housing Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Housing Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Housing Finance Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, \$954,106,000 and 11,544 full-time equivalent positions (end-of-year) (including \$930,889,000 and 11,365 full-time equivalent positions from local funds, \$8,942,000 and 70 full-time equivalent positions from Federal funds, \$5,160,000 and 4 full-time equivalent positions from other funds, and \$9,115,000 and 105 full-time equivalent positions from intra-District funds): *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed \$500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86-45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be \$500,000: *Provided further*, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed \$500,000: *Provided further*, That the Metropolitan Police Department shall employ an authorized level of sworn officers not to be less than 3,800 sworn officers for the fiscal year ending September 30, 1996: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under

the Act in each fiscal year since inception in the fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under the Act in each fiscal year since inception in the fiscal year 1985: *Provided further*, That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective February 27, 1987 (D.C. Law 6-204; D.C. Code, sec. 21-2060), for the fiscal year ending September 30, 1996, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989: *Provided further*, That not to exceed \$1,500 for the Chief Judge of the District of Columbia Court of Appeals, \$1,500 for the Chief Judge of the Superior Court of the District of Columbia, and \$1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, riots, and similar incidents: *Provided further*, That the District of Columbia government shall also take steps to publicize the availability of the 24-hour telephone information service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed \$100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during the fiscal year ending September 30, 1996, in relation to the Lorton prison complex: *Provided further*, That such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, fires, riots, and similar disturbances involving the prison: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved.

#### PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, \$788,983,000 and 11,670 full-time equivalent positions (end-of-year) (including \$670,833,000 and 9,996 full-time equivalent positions from local funds, \$87,385,000 and 1,227 full-time equivalent positions from Federal funds, \$21,719,000 and 234 full-time equivalent positions from other funds, and \$9,046,000 and 213 full-time equivalent positions from intra-District funds), to be allocated as follows: \$577,242,000 and 10,167 full-time equivalent positions (including \$494,556,000 and 9,014 full-time equivalent positions from local funds, \$75,786,000 and 1,058 full-time equivalent positions from Federal funds, \$4,343,000 and 44 full-time equivalent positions from other funds, and \$2,557,000 and 51 full-time equivalent

positions from intra-District funds), for the public schools of the District of Columbia; \$109,175,000 from local funds shall be allocated for the District of Columbia Teachers' Retirement Fund; \$79,269,000 and 1,079 full-time equivalent positions (including \$45,250,000 and 572 full-time equivalent positions from local funds, \$10,611,000 and 156 full-time equivalent positions from Federal funds, \$16,922,000 and 189 full-time equivalent positions from other funds, and \$6,486,000 and 162 full-time equivalent positions from intra-District funds) for the University of the District of Columbia; \$21,062,000 and 415 full-time equivalent positions (including \$20,159,000 and 408 full-time equivalent positions from local funds, \$446,000 and 6 full-time equivalent positions from Federal funds, \$454,000 and 1 full-time equivalent position from other funds, and \$3,000 from intra-District funds) for the Public Library; \$2,267,000 and 9 full-time equivalent positions (including \$1,725,000 and 2 full-time equivalent positions from local funds and \$542,000 and 7 full-time equivalent positions from Federal funds) for the Commission on the Arts and Humanities; \$64,000 from local funds for the District of Columbia School of Law and a reduction of \$96,000 for the Education Licensure Commission: *Provided*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed \$2,500 for the Superintendent of Schools, \$2,500 for the President of the University of the District of Columbia, and \$2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1996, a tuition rate schedule that will establish the tuition rate for non-resident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

#### HUMAN SUPPORT SERVICES

Human support services, \$1,845,638,000 and 6,469 full-time equivalent positions (end-of-year) (including \$1,067,516,000 and 3,650 full-time equivalent positions from local funds, \$726,685,000 and 2,639 full-time equivalent positions from Federal funds, \$46,763,000 and 66 full-time equivalent positions from other funds, and \$4,674,000 and 114 full-time equivalent positions from intra-District funds): *Provided*, That \$26,000,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That the District shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization (as defined in section 411(5) of Public Law 100-77, approved July 22, 1987) providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to the Stewart B. McKinney Homeless Assistance Act, approved July 22, 1987 (101 Stat. 485; Public Law 100-77; 42 U.S.C. 11301 et seq.).

#### PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, \$297,326,000 and 1,914

full-time equivalent positions (end-of-year) (including \$225,673,000 and 1,158 full-time equivalent positions from local funds, \$2,682,000 and 32 full-time equivalent positions from Federal funds, \$18,342,000 and 678 full-time equivalent positions from other funds, and \$50,629,000 and 656 full-time equivalent positions from intra-District funds): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

#### WASHINGTON CONVENTION CENTER FUND

For payment to the Washington Convention Center Fund, \$5,400,000 from local funds.

#### REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); sections 723 and 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973, as amended (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note; 91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, \$327,787,000 from local funds.

#### REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the \$331,589,000 general fund accumulated deficit as of September 30, 1990, \$38,678,000 from local funds, as authorized by section 461(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102-106; D.C. Code, sec. 47-321(a)).

#### SHORT-TERM BORROWING

For short-term borrowing, \$9,698,000 from local funds.

#### PAY RENEGOTIATION OR REDUCTION IN COMPENSATION

The Mayor shall reduce appropriations and expenditures for personal services in the amount of \$46,409,000, by decreasing rates of compensation for District government employees; such decreased rates are to be realized for employees who are subject to collective bargaining agreements to the extent possible through the renegotiation of existing collective bargaining agreements: *Provided*, That, if a sufficient reduction from employees who are subject to collective bargaining agreements is not realized through renegotiating existing agreements, the Mayor shall decrease rates of compensation for such employees, notwithstanding the provisions of any collective bargaining agreements.

#### RAINY DAY FUND

For mandatory unavoidable expenditures within one or several of the various appropriation headings of this Act, to be allocated to the budgets for personal services and nonpersonal services as requested by the Mayor and approved by the Council pursuant

to the procedures in section 4 of the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-363), \$4,563,000 from local funds: *Provided*, That the District of Columbia shall provide to the Committees on Appropriations of the House of Representatives and the Senate quarterly reports by the 15th day of the month following the end of the quarter showing how monies provided under this fund are expended with a final report providing a full accounting of the fund due October 15, 1996 or not later than 15 days after the last amount remaining in the fund is disbursed.

#### INCENTIVE BUYOUT PROGRAM

For the purpose of funding costs associated with the incentive buyout program, to be apportioned by the Mayor of the District of Columbia within the various appropriation headings in this Act from which costs are properly payable, \$19,000,000.

#### OUTPLACEMENT SERVICES

For the purpose of funding outplacement services for employees who leave the District of Columbia government involuntarily, \$1,500,000.

#### BOARDS AND COMMISSIONS

The Mayor shall reduce appropriations and expenditures for boards and commissions under the various headings in this Act in the amount of \$500,000.

#### GOVERNMENT RE-ENGINEERING PROGRAM

The Mayor shall reduce appropriations and expenditures for personal and nonpersonal services in the amount of \$16,000,000 within one or several of the various appropriation headings in this Act.

#### PERSONAL AND NONPERSONAL SERVICES ADJUSTMENTS

Notwithstanding any other provision of law, the Mayor shall adjust appropriations and expenditures for personal and nonpersonal services, together with the related full-time equivalent positions, in accordance with the direction of the District of Columbia Financial Responsibility and Management Assistance Authority such that there is a net reduction of \$148,411,000, within or among one or several of the various appropriation headings in this Act, pursuant to section 208 of Public Law 104-8, approved April 17, 1995 (109 Stat. 134).

#### CAPITAL OUTLAY (INCLUDING RESCISSIONS)

For construction projects, \$168,222,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 through 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided*, That \$105,660,000 appropriated under this heading in prior fiscal years is rescinded: *Provided further*, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That all funds pro-

vided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1997, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1997: *Provided further*, That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

#### WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, \$193,398,000 and 1,024 full-time equivalent positions (end-of-year) (including \$188,221,000 and 924 full-time equivalent positions from local funds, \$433,000 from other funds, and \$4,744,000 and 100 full-time equivalent positions from intra-District funds), of which \$41,036,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, \$39,477,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided*, That the requirements and restrictions that are applicable to general fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

#### LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97-91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), \$229,907,000 and 88 full-time equivalent positions (end-of-year) (including \$8,099,000 and 88 full-time equivalent positions for administrative expenses and \$221,808,000 for non-administrative expenses from revenue generated by the Lottery Board), to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

#### CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), \$2,469,000 and 8 full-time equivalent positions (end-of-year) (including \$2,137,000 and 8 full-time equivalent positions from local funds and \$332,000 from other funds), of which \$690,000 shall be transferred to the general fund of the District of Columbia.

#### STARPLEX FUND

For the Starplex Fund, \$8,637,000 from other funds for the expenses incurred by the Armory Board in the exercise of its powers

granted by An Act To Establish a District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2-301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85-300; D.C. Code, sec. 2-321 et seq.): *Provided*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 824; Public Law 93-198; D.C. Code, sec. 47-301(b)).

#### D.C. GENERAL HOSPITAL

For the District of Columbia General Hospital, established by Reorganization Order No. 57 of the Board of Commissioners, effective August 15, 1953, a reduction of \$2,487,000 and a reduction of 180 full-time equivalent positions in intra-District funds.

#### D.C. RETIREMENT BOARD

For the D.C. Retirement Board, established by section 121 of the District of Columbia Comprehensive Retirement Reform Act of 1989, approved November 17, 1989 (93 Stat. 866; D.C. Code, sec. 1-711), \$13,417,000 and 11 full-time equivalent positions (end-of-year) from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

#### CORRECTIONAL INDUSTRIES FUND

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act, approved October 3, 1964 (78 Stat. 1000; Public Law 88-622), \$10,048,000 and 66 full-time equivalent positions (end-of-year) (including \$3,415,000 and 22 full-time equivalent positions from other funds and \$6,633,000 and 44 full-time equivalent positions from intra-District funds).

#### WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, \$37,957,000, of which \$5,400,000 shall be derived by transfer from the general fund.

#### DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104-8), \$3,500,000.

#### GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1997, shall be transmitted to the Congress no later than April 15, 1996.

SEC. 111. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on Government Reform and Oversight, District of Columbia

Subcommittee, the Subcommittee on General Services, Federalism, and the District of Columbia, of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative: *Provided*, That none of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 112. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 113. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 114. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 115. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 116. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 117. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 119. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 120. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the

Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1995 shall be deemed to be the rate of pay payable for that position for September 30, 1995.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 121. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 122. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 123. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1996, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1996 revenue estimates as of the end of the first quarter of fiscal year 1996. These estimates shall be used in the budget request for the fiscal year ending September 30, 1997. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 124. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 125. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 126. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 127. For the fiscal year ending September 30, 1996, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days from the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

SEC. 128. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the Council pursuant to section 422(12) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(12)) and the Governmental Reorganization Procedures Act of 1981, effective October 17, 1981 (D.C. Law 4-42; D.C. Code, secs. 1-299.1 to 1-299.7). Appropriations made by this Act for such programs or functions are conditioned on the approval by the Council, prior to October 1, 1995, of the required reorganization plans.

SEC. 129. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1996 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided*, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 130. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representatives under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3-171; D.C. Code, sec. 1-113(d)).

PROHIBITION AGAINST USE OF FUNDS FOR  
ABORTIONS

SEC. 131. (a) IN GENERAL.—Section 602(a) of the District of Columbia Self-Government

and Governmental Reorganization Act (sec. 1-233(a), D.C. Code), as amended by section 108(b)(2) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, is amended—

(1) by striking "or" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; or"; and

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

"(11) enact any act, resolution, or rule which obligates or expends funds of the District of Columbia (without regard to the source of such funds) for any abortion, or which appropriates funds to any facility owned or operated by the District of Columbia in which any abortion is performed, except where the life of the mother would be endangered if the fetus were carried to term, or in cases of forcible rape reported within 30 days to a law enforcement agency, or cases of incest reported to a law enforcement agency or child abuse agency prior to the performance of the abortion."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to acts, resolutions, or rules of the Council of the District of Columbia which take effect in fiscal years beginning with fiscal year 1996.

SEC. 132. None of the funds appropriated in this Act shall be obligated or expended on any proposed change in either the use or configuration of, or on any proposed improvement to, the Municipal Fish Wharf until such proposed change or improvement has been reviewed and approved by Federal and local authorities including, but not limited to, the National Capital Planning Commission, the Commission of Fine Arts, and the Council of the District of Columbia, in compliance with applicable local and Federal laws which require public hearings, compliance with applicable environmental regulations including, but not limited to, any amendments to the Washington, D.C. urban renewal plan which must be approved by both the Council of the District of Columbia and the National Capital Planning Commission.

SEC. 133. (a) SENSE OF CONGRESS.—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 agency of the Federal or District of Columbia government, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 134. No funds made available pursuant to any provision of this Act shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, or heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this Act otherwise be used to implement or enforce D.C. Act 9-188, signed by the Mayor of the District of Columbia on April 15, 1992.

SEC. 135. Sections 431(f) and 433(b)(5) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; Public Law 93-198; D.C. Code, secs. 11-1524 and title 11, App. 433), are amended to read as follows:

(a) Section 431(f) (D.C. Code, sec. 11-1524) is amended to read as follows:

"(f) Members of the Tenure Commission shall serve without compensation for serv-

ices rendered in connection with their official duties on the Commission."

(b) Section 433(b)(5) (title 11, App. 433) is amended to read as follows:

"(5) Members of the Commission shall serve without compensation for services rendered in connection with their official duties on the Commission."

SEC. 136. Section 451 of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 803; Public Law 93-198; D.C. Code, sec. 1-1130), is amended by adding a new subsection (c) to read as follows:

"(c)(1) The District may enter into multiyear contracts to obtain goods and services for which funds would otherwise be available for obligation only within the fiscal year for which appropriated.

"(2) If the funds are not made available for the continuation of such a contract into a subsequent fiscal year, the contract shall be cancelled or terminated, and the cost of cancellation or termination may be paid from—

"(A) appropriations originally available for the performance of the contract concerned;

"(B) appropriations currently available for procurement of the type of acquisition covered by the contract, and not otherwise obligated; or

"(C) funds appropriated for those payments.

"(3) No contract entered into under this section shall be valid unless the Mayor submits the contract to the Council for its approval and the Council approves the contract (in accordance with criteria established by act of the Council). The Council shall be required to take affirmative action to approve the contract within 45 days. If no action is taken to approve the contract within 45 calendar days, the contract shall be deemed disapproved."

SEC. 137. The District of Columbia Real Property Tax Revision Act of 1974, approved September 3, 1974 (88 Stat. 1051; D.C. Code, sec. 47-801 et seq.), is amended as follows:

(1) Section 412 (D.C. Code, sec. 47-812) is amended as follows:

(A) Subsection (a) is amended by striking the third and fourth sentences and inserting the following sentences in their place: "If the Council does extend the time for establishing the rates of taxation on real property, it must establish those rates for the tax year by permanent legislation. If the Council does not establish the rates of taxation of real property by October 15, and does not extend the time for establishing rates, the rates of taxation applied for the prior year shall be the rates of taxation applied during the tax year."

(B) A new subsection (a-2) is added to read as follows:

"(a-2) Notwithstanding the provisions of subsection (a) of this section, the real property tax rates for taxable real property in the District of Columbia for the tax year beginning October 1, 1995, and ending September 30, 1996, shall be the same rates in effect for the tax year beginning October 1, 1993, and ending September 30, 1994."

(2) Section 413(c) (D.C. Code, sec. 47-815(c)) is repealed.

SEC. 138. Title 18 U.S.C. 1761(b) is amended by striking the period at the end and inserting the phrase "or not-for-profit organizations" in its place.

SEC. 139. Within 120 days of the effective date of this Act, the Mayor shall submit to the Congress and the Council a report delineating the actions taken by the executive to effect the directives of the Council in this Act, including—

(1) negotiations with representatives of collective bargaining units to reduce employee compensation;

(2) actions to restructure existing long-term city debt;

(3) actions to apportion the spending reductions anticipated by the directives of this Act to the executive for unallocated reductions; and

(4) a list of any position that is backfilled including description, title, and salary of the position.

SEC. 140. The Board of Education shall submit to the Congress, Mayor, and Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections vs. budget broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a breakdown of FTE positions and staff for the most current pay period broken out on the basis of control center, responsibility center, and agency reporting code within each responsibility center, for all funds, including capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(4) a list of all active contracts in excess of \$10,000 annually, which contains: the name of each contractor; the budget to which the contract is charged broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the D.C. Public Schools; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(6) changes made in the last month to the organizational structure of the D.C. Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 141. The University of the District of Columbia shall submit to the Congress, Mayor, and Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections vs. budget broken out on the basis of control center, responsibility center, and object class, and for all funds, including capital financing;

(2) a breakdown of FTE positions and all employees for the most current pay period broken out on the basis of control center and responsibility center, for all funds, including capital funds.

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(4) a list of all active contracts in excess of \$10,000 annually, which contains: the name of each contractor; the budget to which the contract is charged broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last month and year-to-date, the total amount of the contract and

total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last month in compliance with applicable law; and

(6) changes made in the last month to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 142. (a) The Board of Education of the District of Columbia and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia Public Schools and the University of the District of Columbia for fiscal year 1995, fiscal year 1996, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia Public Schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor and Council of the District of Columbia, by not later than February 8 of each year.

SEC. 143. (a) Not later than October 1, 1995, or within 15 calendar days after the date of the enactment of the District of Columbia Appropriations Act, 1996, whichever occurs later, and each succeeding year, the Board of Education and the University of the District of Columbia shall submit to the Congress, the Mayor, and Council of the District of Columbia, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Board of Education and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-301).

SEC. 144. The Board of Education, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the D.C. School of Law shall vote on and approve their respective annual or revised budgets before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with sec-

tion 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-301), or before submitting their respective budgets directly to the Council.

SEC. 145. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 146. (a) No agency, including an independent agency, shall fill a position wholly funded by appropriations authorized by this Act, which is vacant on October 1, 1995, or becomes vacant between October 1, 1995, and September 30, 1996, unless the Mayor or independent agency submits a proposed resolution of intent to fill the vacant position to the Council. The Council shall be required to take affirmative action on the Mayor's resolution within 30 legislative days. If the Council does not affirmatively approve the resolution within 30 legislative days, the resolution shall be deemed disapproved.

(b) No reduction in the number of full-time equivalent positions or reduction-in-force due to privatization or contracting out shall occur if the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104-8), disallows the full-time equivalent position reduction provided in this act in meeting the maximum ceiling of 35,771 for the fiscal year ending September 30, 1996.

(c) This section shall not prohibit the appropriate personnel authority from filling a vacant position with a District government employee currently occupying a position that is funded with appropriated funds.

(d) This section shall not apply to local school-based teachers, school-based officers, or school-based teachers' aides; or court personnel covered by title 11 of the D.C. Code, except chapter 23.

SEC. 147. (a) Not later than 15 days after the end of every fiscal quarter (beginning October 1, 1995), the Mayor shall submit to the Council a report with respect to the employees on the capital project budget for the previous quarter.

(b) Each report submitted pursuant to subsection (a) of this section shall include the following information—

(1) a list of all employees by position, title, grade and step;

(2) a job description, including the capital project for which each employee is working;

(3) the date that each employee began working on the capital project and the ending date that each employee completed or is projected to complete work on the capital project; and

(4) a detailed explanation justifying why each employee is being paid with capital funds.

SEC. 148. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), is amended as follows:

(a) Section 301 (D.C. Code, sec. 1-603.1) is amended as follows:

(1) A new paragraph (13A) is added to read as follows:

“(13A) ‘Nonschool-based personnel’ means any employee of the District of Columbia Public Schools who is not based at a local school or who does not provide direct services to individual students.”

(2) A new paragraph (15A) is added to read as follows:

“(15A) ‘School administrators’ means principals, assistant principals, school program

directors, coordinators, instructional supervisors, and support personnel of the District of Columbia Public Schools.”.

(b) Section 801A(b)(2) (D.C. Code, sec. 1-609.1(b)(2)) is amended by adding a new subparagraph (L-i) to read as follows:

“(L-i) Notwithstanding any other provision of law, the Board of Education shall not issue rules that require or permit nonschool-based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers;”

(c) Section 2402 (D.C. Code, sec. 1-625.2) is amended by adding a new subsection (f) to read as follows:

“(f) Notwithstanding any other provision of law, the Board of Education shall not require or permit nonschool-based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers.”.

SEC. 149. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia Public Schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

SEC. 150. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), is amended as follows:

(a) Section 2401 (D.C. Code, sec. 1-625.1) is amended by amending the third sentence to read as follows: “A personnel authority may establish lesser competitive areas within an agency on the basis of all or a clearly identifiable segment of an agency’s mission or a division or major subdivision of an agency.”.

(b) A new section 2406 is added to read as follows:

“SEC. 2406. Abolishment of positions for Fiscal Year 1996.

“(a) Notwithstanding any other provision of law, regulation, or collective bargaining agreement either in effect or to be negotiated while this legislation is in effect for the fiscal year ending September 30, 1996, each agency head is authorized, within the agency head’s discretion, to identify positions for abolishment.

“(b) Prior to February 1, 1996, each personnel authority shall make a final determination that a position within the personnel authority is to be abolished.

“(c) Notwithstanding any rights or procedures established by any other provision of this title, any District government employee, regardless of date of hire, who encumbers a position identified for abolishment shall be separated without competition or assignment rights, except as provided in this section.

“(d) An employee effected by the abolishment of a position pursuant to this section who, but for this section would be entitled to compete for retention, shall be entitled to 1 round of lateral competition pursuant to Chapter 24 of the District of Columbia Personnel Manual, which shall be limited to positions in the employee’s competitive level.

“(e) Each employee who is a bona fide resident of the District of Columbia shall have added 5 years to his or her creditable service for reduction-in-force purposes. For purposes of this subsection only, a nonresident District employee who was hired by the District government prior to January 1, 1980, and has not had a break in service since that date, or a former employee of the U.S. Department of

Health and Human Services at Saint Elizabeths Hospital who accepted employment with the District government on October 1, 1987, and has not had a break in service since that date, shall be considered a District resident.

“(f) Each employee selected for separation pursuant to this section shall be given written notice of at least 30 days before the effective date of his or her separation.

“(g) Neither the establishment of a competitive area smaller than an agency, nor the determination that a specific position is to be abolished, nor separation pursuant to this section shall be subject to review except as follows—

“(1) an employee may file a complaint contesting a determination or a separation pursuant to title XV of this Act or section 303 of the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2543); and

“(2) an employee may file with the Office of Employee Appeals an appeal contesting that the separation procedures of subsections (d) and (f) of this section were not properly applied.

“(h) An employee separated pursuant to this section shall be entitled to severance pay in accordance with title XI of this Act, except that the following shall be included in computing creditable service for severance pay for employees separated pursuant to this section—

“(1) four years for an employee who qualified for veteran’s preference under this act, and

“(2) three years for an employee who qualified for residency preference under this act.

“(i) Separation pursuant to this section shall not affect an employee’s rights under either the Agency Reemployment Priority Program or the Displaced Employee Program established pursuant to Chapter 24 of the District Personnel Manual.

“(j) The Mayor shall submit to the Council a listing of all positions to be abolished by agency and responsibility center by March 1, 1996, or upon the delivery of termination notices to individual employees.

“(k) Notwithstanding the provisions of section 1708 or section 2402(d), the provisions of this act shall not be deemed negotiable.

“(l) A personnel authority shall cause a 30-day termination notice to be served, no later than September 1, 1996, on any incumbent employee remaining in any position identified to be abolished pursuant to subsection (b) of this section”.

SEC. 151. Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 1996 under the caption “Division of Expenses” shall not exceed \$4,867,283,000.

#### REQUIRING DEVELOPMENT OF PLAN TO CLOSE LORTON CORRECTIONAL COMPLEX

##### SEC. 152. (a) DEVELOPMENT OF PLAN.—

(1) IN GENERAL.—Not later than February 15, 1996, the District of Columbia shall develop a plan for closing the Lorton Correctional Complex over a transition period not to exceed 5 years in length.

(2) REQUIREMENTS OF PLAN.—The plan developed by the District of Columbia under paragraph (1) shall meet the following requirements:

(A) Under the plan, the Lorton Correctional Complex will be closed by the expiration of the transition period.

(B) Under the plan, the District of Columbia may not operate any correctional facilities on the Federal property known as the Lorton Complex located in Fairfax County, Virginia, after the expiration of the transition period.

(C) The plan shall include provisions specifying how and to what extent the District

will utilize alternative management, including the private sector, for the operation of correctional facilities for the District, and shall include provisions describing the treatment under such alternative management (including under contracts) of site selection, design, financing, construction, and operation of correctional facilities for the District.

(D) The plan shall include an implementation schedule, together with specific performance measures and timelines to determine the extent to which the District is meeting the schedule during the transition period.

(E) Under the plan, the Mayor of the District of Columbia shall submit a semi-annual report to the President, Congress, and the District of Columbia Financial Responsibility and Management Assistance Authority describing the actions taken by the District under the plan, and in addition shall regularly report to the President, Congress, and the District of Columbia Financial Responsibility and Management Assistance Authority on all significant measures taken under the plan as soon as such measures are taken.

(b) CONSISTENCY WITH FINANCIAL PLAN AND BUDGET.—In developing the plan under subsection (a), the District of Columbia shall ensure that for each of the years during which the plan is in effect, the plan shall be consistent with the financial plan and budget for the District of Columbia for the year under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(c) SUBMISSION OF PLAN.—Upon completing the development of the plan under subsection (a), the District of Columbia shall submit the plan to the President, Congress, and the District of Columbia Financial Responsibility and Management Assistance Authority.

#### PROHIBITION AGAINST ADOPTION BY UNMARRIED COUPLES

SEC. 153. Section 16-302, D.C. Code, is amended—

(1) by striking “Any person” and inserting “(a) Subject to subsection (b), any person”; and

(2) by adding at the end the following subsection:

“(b) No person may join in a petition under this section unless the person is the spouse of the petitioner.”.

The CHAIRMAN. Are there further amendments to the bill?

#### AMENDMENT OFFERED BY MR. DAVIS

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

The Clerk read as follows:

Amendment offered by Mr. DAVIS: Insert at the appropriate place the following new section:

#### TECHNICAL CORRECTIONS TO FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE ACT

SEC. . (a) REQUIRING GSA TO PROVIDE SUPPORT SERVICES.—Section 103(f) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 is amended by striking “may provide” and inserting “shall promptly provide”.

(b) AVAILABILITY OF CERTAIN FEDERAL BENEFITS FOR INDIVIDUALS WHO BECOME EMPLOYED BY THE AUTHORITY.—

(1) FORMER FEDERAL EMPLOYEES.—Subsection (e) of section 102 of such Act is amended to read as follows:

“(e) PRESERVATION OF RETIREMENT AND CERTAIN OTHER RIGHTS OF FEDERAL EMPLOYEES WHO BECOME EMPLOYED BY THE AUTHORITY.—

“(1) IN GENERAL.—Any Federal employee who becomes employed by the Authority—

“(A) may elect, for the purposes set forth in paragraph (2)(A), to be treated, for so long as that individual remains continuously employed by the Authority, as if such individual had not separated from service with the Federal Government, subject to paragraph (3); and

“(B) shall, if such employee subsequently becomes reemployed by the Federal Government, be entitled to have such individual's service with the Authority treated, for purposes of determining the appropriate leave accrual rate, as if it had been service with the Federal Government.

“(2) EFFECT OF AN ELECTION.—An election made by an individual under the provisions of paragraph (1)(A)—

“(A) shall qualify such individual for the treatment described in such provisions for purposes of—

“(i) chapter 83 or 84 of title 5, United States Code, as appropriate (relating to retirement), including the Thrift Savings Plan;

“(ii) chapter 87 of such title (relating to life insurance); and

“(iii) chapter 89 of such title (relating to health insurance); and

“(B) shall disqualify such individual, while such election remains in effect, from participating in the programs offered by the government of the District of Columbia (if any) corresponding to the respective programs referred to in subparagraph (A).

“(3) CONDITIONS FOR AN ELECTION TO BE EFFECTIVE.—An election made by an individual under paragraph (1)(A) shall be ineffective unless—

“(A) it is made before such individual separates from service with the Federal Government; and

“(B) such individual's service with the Authority commences within 3 days after so separating (not counting any holiday observed by the government of the District of Columbia).

“(4) CONTRIBUTIONS.—If an individual makes an election under paragraph (1)(A), the Authority shall, in accordance with applicable provisions of law referred to in paragraph (2)(A), be responsible for making the same deductions from pay and the same agency contributions as would be required if it were a Federal agency.

“(5) REGULATIONS.—Any regulations necessary to carry out this subsection shall be prescribed by—

“(A) the Office of Personnel Management, to the extent that any program administered by the Office is involved;

“(B) the appropriate office or agency of the government of the District of Columbia, to the extent that any program administered by such office or agency is involved; and

“(C) the Executive Director referred to in section 8474 of title 5, United States Code, to the extent that the Thrift Savings Plan is involved.”

(2) OTHER INDIVIDUALS.—Section 102 of such Act is further amended by adding at the end the following:

“(f) FEDERAL BENEFITS FOR OTHERS.—

“(1) IN GENERAL.—The Office of Personnel Management, in conjunction with each corresponding office or agency of the government of the District of Columbia, shall prescribe regulations under which any individual who becomes employed by the Authority (under circumstances other than as described in subsection (e)) may elect either—

“(A) to be deemed a Federal employee for purposes of the programs referred to in subsection (e)(2)(A)(i)–(iii); or

“(B) to participate in 1 or more of the corresponding programs offered by the government of the District of Columbia.

“(2) EFFECT OF AN ELECTION.—An individual who elects the option under subparagraph (A) or (B) of paragraph (1) shall be disquali-

fied, while such election remains in effect, from participating in any of the programs referred to in the other such subparagraph.

“(3) DEFINITION OF ‘CORRESPONDING OFFICE OR AGENCY’.—For purposes of paragraph (1), the term ‘corresponding office or agency of the government of the District of Columbia’ means, with respect to any program administered by the Office of Personnel Management, the office or agency responsible for administering the corresponding program (if any) offered by the government of the District of Columbia.

“(4) THRIFT SAVINGS PLAN.—To the extent that the Thrift Savings Plan is involved, the preceding provisions of this subsection shall be applied by substituting ‘the Executive Director referred to in section 8474 of title 5, United States Code’ for ‘the Office of Personnel Management’.”

(3) EFFECTIVE DATE; ADDITIONAL ELECTION FOR FORMER FEDERAL EMPLOYEES SERVING ON DATE OF ENACTMENT; ELECTION FOR EMPLOYEES APPOINTED DURING INTERIM PERIOD.—

(A) EFFECTIVE DATE.—Not later than 6 months after the date of enactment of this Act, there shall be prescribed (and take effect)—

(i) regulations to carry out the amendments made by this subsection; and

(ii) any other regulations necessary to carry out this subsection.

(B) ADDITIONAL ELECTION FOR FORMER FEDERAL EMPLOYEES SERVING ON DATE OF ENACTMENT.—

(i) IN GENERAL.—Any former Federal employee employed by the Authority on the effective date of the regulations referred to in subparagraph (A)(i) may, within such period as may be provided for under those regulations, make an election similar, to the maximum extent practicable, to the election provided for under section 102(e) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, as amended by this subsection. Such regulations shall be prescribed jointly by the Office of Personnel Management and each corresponding office or agency of the government of the District of Columbia (in the same manner as provided for in section 102(f) of such Act, as so amended).

(ii) EXCEPTION.—An election under this subparagraph may not be made by any individual who—

(I) is not then participating in a retirement system for Federal employees (disregarding Social Security); or

(II) is then participating in any program of the government of the District of Columbia referred to in section 102(e)(2)(B) of such Act (as so amended).

(C) ELECTION FOR EMPLOYEES APPOINTED DURING INTERIM PERIOD.—

(i) FROM THE FEDERAL GOVERNMENT.—Subsection (e) of section 102 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (as last in effect before the date of enactment of this Act) shall be deemed to have remained in effect for purposes of any Federal employee who becomes employed by the District of Columbia Financial Responsibility and Management Assistance Authority during the period beginning on such date of enactment and ending on the day before the effective date of the regulations prescribed to carry out subparagraph (B).

(ii) OTHER INDIVIDUALS.—The regulations prescribed to carry out subsection (f) of section 102 of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (as amended by this subsection) shall include provisions under which an election under such subsection shall be available to any individual who—

(I) becomes employed by the District of Columbia Financial Responsibility and Man-

agement Assistance Authority during the period beginning on the date of enactment of this Act and ending on the day before the effective date of such regulations;

(II) would have been eligible to make an election under such regulations had those regulations been in effect when such individual became so employed; and

(III) is not then participating in any program of the government of the District of Columbia referred to in subsection (f)(1)(B) of such section 102 (as so amended).

(c) EXEMPTION FROM LIABILITY FOR CLAIMS FOR AUTHORITY EMPLOYEES.—Section 104 of such Act is amended—

(1) by striking “the Authority and its members” and inserting “the Authority, its members, and its employees”; and

(2) by striking “the District of Columbia” and inserting “the Authority or its members or employees or the District of Columbia”.

(d) PERMITTING REVIEW OF EMERGENCY LEGISLATION.—Section 203(a)(3) of such Act is amended by striking subparagraph (C).

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

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

There was no objection.

The CHAIRMAN. Pursuant to the rule, the gentleman from Virginia [Mr. DAVIS] and a Member opposed will each be recognized for 15 minutes.

The Chair recognizes the gentleman from Virginia [Mr. DAVIS].

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

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

Mr. Chairman, as chairman of the District of Columbia Subcommittee of the Committee on Government Reform and Oversight, I offer this amendment to the District of Columbia appropriations bill of 1996.

Mr. Chairman, I offer this amendment to the District of Columbia appropriations bill of 1996, H.R. 2546, as chairman of the District of Columbia Subcommittee of the Government Reform and Oversight Committee. I also offer this amendment as chief sponsor of Public Law 104–8, the District of Columbia Financial Responsibility and Management Assistance Authority, H.R. 1345.

This Congress can take great pride in the landmark legislation we enacted this past spring for the District of Columbia. Public Law 104–8, which passed unanimously, averted a financial catastrophe and put the Nation's Capital on a glidepath towards economic recovery. It is an honor for me to be presiding as chairman of the District's Oversight Subcommittee, the Authorizing Subcommittee, at this historic time. Not only the District, but the Washington metropolitan region, and the entire country all share a vital stake in the successful outcome of what we have initiated. The amendment that I offer today is not only consistent with what we began but necessary to carry forward the work of the new Authority.

The amendment is technical in nature, and conforms to the legislative intent of Public Law 104–8. The substance of the amendment is noncontroversial. It is being offered as an amendment to the appropriations bill in order to expedite the technical corrections that are



required to enable the Authority to operate in the most efficient manner possible and to fulfill its responsibilities. The amendment does nothing more than to give the Authority tools to do the job mandated by Congress.

1. The amendment changes section 102(e)(1)(A) to insure, as intended by the legislation, the Federal employees joining the Authority may elect to have their service with the Authority treated as if performed within the Federal Government for purposes of the thrift savings plan, health insurance, life insurance, and any other Federal benefit program. The statute already provides such persons that election for purposes of the Federal retirement program. The omission of the other programs in the statutory language was clearly inadvertent.

2. The amendment changes section 102(e)(2)(B) to clarify congressional intent and make clear that an individual electing coverage under the Federal programs referred to in section 102(e)(1)(A) will not be entitled to double coverage under comparable District Government programs. This change merely conforms the sections.

3. The amendment changes section 102(e)(3) to provide that the Office of Personnel Management, in promulgating regulations authorized by section 102(e) must consult with the Authority as well as with the District government. This change is necessary because when OPM first promulgated interim regulations, as it was authorized by the statute to do, it failed to consult with the Authority or even send on its own initiative a copy of the proposed regulations to the Authority. This change is consistent with the clear legislative intent in the statute that the Authority should be consulted.

4. The amendment changes section 102(f) in order to carry out the policy mandate created in section 102(e). It clarifies that persons employed by the Authority have an election to be treated as if they were employees of the Federal Government or employees of the District of Columbia government for purposes of the retirement system, health insurance, and any other employee benefit programs. Section 102(e) deals only with employees of the Authority who come from the Federal Government. Several other categories of persons are becoming employees of the Authority, including Federal retirees, District employees, and private sector employees. This new section gives these employees the same options as persons joining the Authority from the Federal Government. It will help to insure that qualified employees will not be discouraged from seeking employment with the Authority by clarifying legislative intent so as to provide that such persons would not lose benefits.

5. The amendment changes "may" to "shall" in section 103(f) to give the General Services Administration the appropriate degree of discretion. This clarifies that the GSA has a duty to provide the administrative services required by the Authority in a prompt manner.

6. The amendment changes section 104 because the Authority is a legal entity subject to suit. A plaintiff could thus initiate a cause of action against the Authority, its members, or employees for official actions they take, instead of suing the District of Columbia. Only claims against the District are included in the technical language of the existing exemption. This was not intended in adopting the statute, as the purpose of the section is to protect the

Authority and those who act on its behalf from claims arising from their official actions.

7. The amendment deletes section 203(a)(3)(C) in its entirety, as it inadvertently undermines the fundamental responsibilities of the Authority, contrary to the clear legislative intent of the statute as a whole. A significant amount of District legislation is now being enacted on an emergency basis, thus making it exempt from the Authority's power to consider under the existing section. Even if a particular enactment is later made permanent, thus subjecting it to the Authority's review, rights could in the meantime be created or claimed under the emergency legislation and objections asserted to any subsequent disapproval by the Authority. This would frustrate the very purpose of creating the Authority. Emergency legislation can clearly have a substantial fiscal impact while it is in force and effect. The current section is not only an undesirable and significant dilution of the Authority's ability to function, but it also casts doubt on the Authority's ability to require that emergency legislation be reviewed, separate and apart from the issue of approval or disapproval. Eliminating this section would remove any doubt as to legislative intent on this point and enhance the authority's basic ability to function in accordance with its congressional mandate.

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

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

Mr. DIXON. Mr. Chairman, the minority has no objections to the gentleman's amendment.

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

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

Mr. WALSH. Mr. Chairman, I rise in support of the gentleman's amendment and urge its adoption.

Mr. DAVIS. Mr. Chairman, I urge adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. DAVIS].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT NO. 1 OFFERED BY MR. BONILLA

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BONILLA: Insert on page 58, after line 4, the following section:  
REVOCATION OF PROPERTY TAX-EXEMPTION FOR NATIONAL EDUCATION ASSOCIATION

SEC. . Effective for taxable years beginning after September 30, 1995, section 4 of the act entitled "An Act to incorporate the National Education Association of the United States", Approved June 30, 1906 (34 Stat. 805; Sec. 46-1036, D.C. Code) is repealed.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. BONILLA] is recognized for 15 minutes.

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

Mr. Chairman, my amendment is a bipartisan amendment. It is being led on the other side by the gentleman from Louisiana [Mr. HAYES], as well as getting a tremendous amount of assist-

ance and hard work on this amendment by the gentleman from California [Mr. DORNAN].

Mr. Chairman, this is a bipartisan amendment that would allow the District of Columbia to collect an additional \$1.6 million in badly needed revenue for their operations.

My amendment would eliminate the special exemption, the special privilege currently granted under a congressional charter to the National Education Association. This is an amendment that would reserve a special privilege that has been on the books for a long time.

Mr. Chairman, the NEA was officially judged to be a union by the Internal Revenue Service, but nonetheless it is put in a special category aside from other unions that all pay taxes in the District of Columbia. So, we are trying to simply give the District of Columbia the privilege of levying local property taxes on the National Education Association.

Mr. Chairman, I would like to point out that we are not in any way singling out the NEA for any kind of special target or treatment. Other unions like the AFL-CIO, the Teamsters, they all pay taxes. The American Federation of Teachers pays taxes. We would not want these groups to have a local special-privilege exemption like the NEA any more than we would want the U.S. Chamber of Commerce to have an exemption or the NFIB or any group that would currently exist for similar purposes that is advocating positions here and in neighborhoods across the country.

There is no other group currently on the list of congressionally chartered organizations that is not a charity that falls under this exemption. In other words, the NEA is the only noncharity congressionally chartered organization that receives this special treatment.

Mr. Chairman, the NEA has also violated its original congressional charter by no longer just limiting itself to educational issues. Back in the early part of the century when it was chartered, it was originally set up to work on the basics: Reading, writing, and arithmetic. Now, we have the NEA working on issues from arms control to the NAFTA controversy, Medicare, human rights, defense issues. My colleagues can name it, they are involved in it; none of which has to do with education in our schools across this country.

Mr. Chairman, for that reason, setting it aside from the other congressionally chartered groups in this country, they have violated their charter, and we strongly are urging Members on both sides of the aisle in a bipartisan way to support this amendment that would allow the District to have an opportunity to levy the badly needed \$1.5 million needed for its budget.

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

Mr. DIXON. Mr. Chairman, I rise in opposition.

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The CHAIRMAN. The gentleman from California [Mr. DIXON] is recognized for 15 minutes.

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

Mr. Chairman, I rise in opposition to this amendment because it basically is mean-spirited. Republicans have the majority in this House and they can offer a freestanding bill to do anything they want and not attach it to this.

First of all, Mr. Chairman, let me say sincerely that I have great respect for the gentleman from Texas [Mr. BONILLA]. The gentleman served on the Committee on the District of Columbia for some time. We have discussed ideas that might improve the District and we have certainly worked together.

But Mr. Chairman, the gentleman from Texas says that the rest of the list is charities. That is not true. The American Pharmaceutical Association is not a charity. The Brookings Institute is not a charity. The National Academy of Sciences is not a charity. Mr. Chairman, I can go on and on.

This was a charter granted by the Federal Government when there was no home rule here in 1906, and it was obviously a charter granted for incorporation purposes. In that, right or wrong, the Congress at that time gave a tax exempt status as it relates to District of Columbia taxes.

The gentleman from Texas said in his opening comments that this amendment was promulgated because the gentleman wants to save money and is interested in the taxpayers. Nobody believes that. That is not what this is about. The gentleman is not trying to provide \$1.4 million to the District. Even if he was, the cap that the gentleman from New York [Mr. WALSH] has put on here would prohibit it.

So, Mr. Chairman, the gentleman from Texas should not come to the floor and say that he is trying to raise money for the District. The fact is that the gentleman does not, and the Speaker does not, like the philosophy of the NEA.

That is not wrong. So, therefore, they come to the conclusion that they have violated their charter and without a hearing of the appropriate committee, we will just stand up and cancel this tax exemption. The gentleman may be right on the merits. After an adjudication of this issue, after consideration of all 27 of the organizations that have this, the gentleman may be absolutely right. Mr. Chairman, I am saying that as a member of the subcommittee, this is not the forum to address their tax status.

Even if we do, Mr. Chairman, the gentleman should not come here and say that he is trying to raise revenue for the District. It just ain't so.

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

Mr. BONILLA. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. HAYES].

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

Mr. HAYES. Mr. Chairman, I went to public schools in a small town in Louisiana, in a school that would not be one that we would point to for its physical plant, in a small school in which those within the community quite often ended up baking cakes and having car washes just to have enough money to send a debate team out of town.

But it had one extraordinary resource. It had a group of men and women who were so committed to the ideals of education above everything else that they made personal financial sacrifices. They made sacrifices to the time of their own family by grading papers. They made sacrifices to attend dances and balls when they did not yet have kids old enough to go to those same high schools. And they made an incredible imprint on the community.

To the gentleman from California [Mr. DIXON], in my high school class is a young lady who is now the director of Common Cause. In my high school class is a former vice president of Johnson & Johnson. In my high school class is a gentleman who received balloting in the Heisman Trophy. And all of them taught by a handful of dedicated teachers. But the gentleman just touched upon the change that has occurred: philosophy.

What the gentleman said was that this side of the aisle disagrees with the philosophy, and I do, too. Only I am not talking about the left and the right. I am talking about placing issues above education. That is a bad philosophy.

When I last ran for Congress, I got a brochure from the NEA asking me how I felt about the nuclear freeze, how I felt about abortion. How I felt about issues that while very important and worth the time of this Chamber were not as important as what should have been going on in the classrooms of my State in the district.

I represent a great deal of teaching and educational background to where I am proud to say I worked hard and did well with the support of teachers and parents.

Now, it is wrong, and I was taught by teachers who taught me to look at the facts and determine in a very substantive and objective way, it is wrong to use an exemption given in 1906 when Theodore Roosevelt was President to protect the assets of a union that in 1978 determined as such by the Internal Revenue Service. It is wrong to reverse the concept of taxation without representation and make it representation without taxation.

We want to lobby. We want to go in your office. We want to tell you how to vote. We want to send you faxes. We want to send you letters just like today, but we do not want to pay or give a dime.

That is an insult to the people who taught me and even more an insult to the values and lessons that I learned in public schools in my home town.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I do not serve on the Subcommittee on the District of Columbia. When I saw the rule coming forth on this amendment, I had to make a special point to come down here and to listen firsthand to the arguments from those who supported the justification of this change.

My colleague from Louisiana who just spoke indicated that here is a group that comes to this office asking for support on this issue, that issue. Well, I will tell Members, if we went to the Federal tax code and deleted the tax exemption of every organization that lobbied us, from defense contractors to the Chamber, you name it, we would raise billions of dollars and we would never see anyone in the Halls of Congress or in our offices.

But as Americans, as the delegate from the District said, there is a Constitution. There is a Constitution that talks about freedom of speech. And I think we want people to do that. We want people to come forward and talk to us about the issues of the day. But I view this amendment as probably the most vindictive that I have seen in my tenure here before this body.

Many, in fact all the years except this year, I was in the majority party. There were groups that we did not like who opposed our candidates, who opposed our position on issues. Did my colleagues see the majority party, the Democrats at that point, come forth with amendments to repeal their tax exempt status? No. That would not be right. We might disagree with them, but they have a right to say what they want to say.

But here we go, the first time you folks have had the majority in years, using the majority muscle that you have to punish one group in this country that you disagree with. I think that is a shame.

If you look at the other organizations that are not touched by the gentleman's amendment, as the chairman, said, they are not charities. They are not charitable organizations. I am looking at one here, the Medical Society of the District of Columbia. Is that a charitable organization? I doubt it. But I do not think and I would not support taking away their exempt status because they endorsed your Medicare cuts.

Shame on you. Shame on you.

Mr. BONILLA. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN], a cosponsor and a Member who was really behind this cause for some time.

Mr. DORNAN. Mr. Chairman, if I could refer in opening to my distinguished colleague, the gentleman from California [Mr. DIXON], and I do mean distinguished, he does not have to ever worry about me having hidden agendas or any other motives. But I have listened to some private conversations

where people thoughtfully and heart-felt said, hey, in the measure we saved the taxpayers a lot of money here.

I said during general debate that my younger brother, in whom I am justifiably proud because his students for 29 years, at the discouragement of the administration, have unofficially elected him best teacher on his high school campus. Dick Dornan is a natural giving, enthusiastic English and U.S. history teacher. He is disgusted with the NEA. He does not like being pressured to declare an entire month bisexuality month. That is just for openers. I am not going to mention all the other stuff, just the AC/DC, acey-deucey switch hitting crowd. What does that have to do with education?

I will not mention the 1906 charter. We have covered that. I will not mention some of the good points that the gentleman from Texas [Mr. BONILLA] has covered about switching 501(c)(3) to 501(5). I will not go back over ancient history, although I will ask permission to put that in my remarks.

The very real reason that the NEA became unionized was in order, as a retired teacher said, who took a break in service, when he came back and found it was now a union, he said, I suddenly realized that all they obsessed on were salaries and money and money and salaries and not about kids' education and teaching or the SAT scores would not have been going in the dumper, and we would have our dynamic Speaker quoting around this country that kids are getting diplomas from high school and they cannot even read the English on the diploma, let alone talk about where they are going to go with their careers or how they are going to balance their checkbooks.

It is true there are a number of organizations and enterprises within the District of Columbia that benefit from property taxes. What is so incredible is that the NEA is the only union that gets that privileged status. More about that from the distinguished Member from Indiana.

I close on this, vote for Bonilla-Hayes-Dornan. Repeal the NEA's congressionally sanctioned property tax. The taxpayers should not be expected to subsidize the palatial, plush headquarters of any union, much less one that wants a month for bisexuality advancement.

Mr. Chairman, I rise in strong support of the Bonilla-Hayes-Dornan amendment.

As Mr. BONILLA said the NEA is currently exempt from having to pay any property taxes on their palatial headquarters located here in Washington, DC. Their tax-exempt status derives from the Federal charter the NEA received back in 1906, when it was little more than an association of educators throughout the United States. At that time, and I have read some of the debate that took place in both Chambers during consideration of the NEA charter, then Members of Congress felt that it would be improper to tax property held for educational purposes.

Back then, I am certain that no one envisioned the NEA would ever evolve into any-

thing more than a bipartisan, do-good organization dedicated to promoting education in America. But times sure have changed, Mr. Chairman, and so has the NEA. Today the NEA is not now an association of professional educators. In 1978, they changed their corporate tax status from a 501(c)(3) to a 501(5) benefiting all labor unions. The NEA is now a hostile political machine that wields its incredible power to influence legislation, public opinion, and our Nation's school children.

The very reason the NEA became unionized was in order for them to gain the maximum amount of political power and control in Washington and throughout the United States. In fact, back when the NEA was changing into a labor union, a retired teacher who took a break in service recalls their radical transformation claimed, "In the interval that I had been out of school, they had become unionized, and when they realized that I refused to join. They no longer represented my views. They had become more concerned with salaries and money than they were about students and education." Meanwhile, Mr. Speaker, its archaic congressional charter continues to allow the NEA its property tax exemption as if this power political machine were still an innocuous teachers association.

It is true that there are a number of organizations and enterprises within the District of Columbia that benefit from a property tax exemption. What's so incredible is that the NEA is the only labor union in the whole bunch. And so when opponents of our amendment complain that we are singling out the NEA for political reasons, I say they are completely missing the point. The NEA does not deserve this tax break because they are a union, the country's biggest union in fact, and no other union enjoys such preferential tax treatment in the District of Columbia.

Mr. Chairman, it is the height of irony—and it is exactly the kind of insidiousness this new Congress is attempting to undo—that the NEA, a monstrous special interest group dedicated, as they would say, "to helping America's children," ferociously clings to \$1.4 million each year that otherwise could be used to improve the District's impoverished public school system.

I strongly urge you to vote in favor of the Bonilla-Hayes-Dornan amendment and repeal the NEA's congressionally-sanctioned property tax exemption. The taxpayers should not be expected to subsidize the plush headquarters of any union, much less the NEA.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. DURBIN], a member of the committee.

Mr. DURBIN. Mr. Chairman, make no mistake, a pattern is clearly emerging. The Republican soldiers in the Gingrich revolution have no respect whatsoever for freedom of expression in this country. If they can find an opportunity to close down speech and ideas which they find repulsive, they will grab at it. Six screwballs decide to burn the American flag, and the Gingrich revolutionaries want to amend the Bill of Rights for the first time in our history. Garrison Keillor makes fun of them on Prairie Home Companion, they want to close down National Public Radio.

The gentleman from Oklahoma [Mr. ISTOOK] becomes exercised because

some lobby group does not agree with him. He wants to close down any opportunity for them to receive Federal funds. And today the gentleman from Texas [Mr. BONILLA], who has an axe to grind with the National Education Association, said, I know how to take care of them, hit them in their tax status.

If your ideas are so good, so right, so American, why are you so afraid of freedom of expression? The National Education Association has said things that I disagree with, as have many of the organizations here. But to go after these organizations, to close down their operations, make them more expensive, impose more taxes on them is downright unAmerican.

It is the nature of politics. It is the nature of Government to have the free exchange of ideas. Why is it once the Republicans get in control they want to turn off the microphones? They want to shut down the presses. They want to stop the free exchange of ideas.

What are you afraid of? Let us defeat this terrible amendment.

Mr. BONILLA. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I have no particular interest in this amendment except that, when we considered it in the full Committee on Appropriations, it was evident to me that in 1906 the NEA got a special charter from the Federal Government as an education association devoted to the cause of education. Over time, that purpose has apparently changed. It has become, and no one doubts the status of the NEA, a labor union devoted to the interests of its members.

In 1978, under the Carter administration, not a Republican administration, it was determined that in fact it was a labor union devoted to its own purposes and not to the general cause of education. So, for the last 17 years, the NEA has had a special status where it did not have to pay taxes even though every other union in the District of Columbia had to pay taxes on its property—17 years for free.

The gentleman from Illinois, my colleague from Illinois, says that we are disrupting freedom of expression? They have had free expression without paying the cost that everybody else has paid for all these years.

Are we singling them out? No, they are the only union that has this status. It seems to me that it is up to Congress, when it finds these kinds of things, to address them. They do not deserve tax-exempt status. They have not deserved it for 17 years. It is time to close the door and to say, you have had 17 free years. You do not get any more. You have to be treated just like everyone else.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding time to me.

I make these remarks before asking the gentleman from Texas [Mr. BONILLA] to consent to a better idea. This Trojan horse, I am afraid, would be of no use to the district, if the gentleman is sincere and there is a way to help us. The comments, however, especially of the gentleman from Texas [Mr. BONILLA], the gentleman from Louisiana [Mr. HAYES], and the gentleman from California [Mr. DORNAN], give evidence to the fact that this is an unvarnished case of political retribution. They have not sought to hide it.

The gentleman from Texas [Mr. BONILLA], when he offered the amendment, went down the list of positions that NEA had taken, among them that we hear: That of course is a union. We know how the other side of the aisle loves unions. It does not want anything to do with the District and certainly not with helping the District. If so, the gentleman would have given the District the discretion to get these property taxes from all 27 of these people, none of whom should have had property taxes at our expense. My people pay higher property taxes, not because of the NEA but because of 27 people whom you gave, you gave the right to be exempt from property taxes from people I represent.

The gentleman says that these people are not about education anymore and that they have gone off their charter. Have you looked at the legislative agenda of the American Legion? Is that what you want to do, go down and see what each of these organizations are doing and put a political test into these proceedings? This is not a good precedent to set.

This was defeated in committee. There is a better idea. Give the District the jurisdiction, do not give it to us piecemeal. You do not intend to give us any more at all, do not give us one. Give us all, give us access to our property taxes from all 27 of these folks.

Mr. BONILLA. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. chairman, I rise and speak out in support of this amendment. The NEA receives 1.6 million in a tax break from their congressional charter. This congressional charter was given to the National Education Association when it was a trade association, and it is not only quite apparent to the American public but as well to the IRS that it is no longer a trade association. It is, indeed, a union.

As has been said multiple times but deserves to be said again, it would be irresponsible for this Congress to continue to allow this tax exempt status for a union when no other unions get a tax exempt status. Indeed, this \$1.6 million of funds could be applied to the District of Columbia's school system to help improve their school system. So I think this is a very good amendment. It is very much an appropriate amendment. It is in keeping with being consistent in our policies. I would encour-

age all of my colleagues to support this amendment.

□ 1700

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Chairman, I thank the gentleman from California [Mr. DIXON] for yielding this time to me.

I, too, am not a member of the Subcommittee on the District of Columbia, but I am privileged to stand here and to support the measure that I feel is the correct one, and that is to oppose this retribution, and that is all it can be classified as.

Let me go to perhaps the heart of the matter, and what I hear being discussed, and all of the disparagement directed toward the National Education Association. My understanding is that the building that is here is peopled by a significant number of individuals, some who come here from around the country, others who are here on a regular basis, and my belief is that they make a major contribution to the well-being of the District of Columbia, perhaps a more major contribution than the micromanagement that is going on now.

Who else are exempt from taxes in the District of Columbia and why? I would not bother to be facetious enough to suggest that there are Government-owned properties in the District of Columbia that, had they been taxed over this same number of years, the District of Columbia may conceivably not have the kinds of problems that it is having today. None of us would stand for the type of micromanagement that is going on in this particular bill in our respective home cities.

Mr. Chairman, this type of retribution is retrogressive, and in the final analysis, Mr. Chairman, downright insulting to any of our Members. I do not know what the Brookings Institution stands for. I do not know what the Carnegie Institution of Washington, DC, stands for. I do not know what the Daughters of the American Revolution stand for, but I can doggone cite I do not believe they stand for much that I believe in, but at the very same time I think they have a right to be here, I think they have a right to state their position, and the tax exemption that was given to them was evidently given with well meaning.

We need to stop this micromanagement, we need to stop this retribution, especially toward such an outstanding organization as the National Education Association.

Mr. BONILLA. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, let me just say to my colleague from Florida it is our responsibility as the Congress, because this is the Nation's Capital, to keep an eye on what goes on here, so we do involve our-

selves in managing this city, and we better because it was a real mess just a year ago.

Now let me just say to one of my colleagues from Illinois that spoke awhile ago; he said we are opposing the free speech. The NEA can say anything they want to, and they do, and we do not object, but we do believe they should not get a \$1.6 million tax break just because they are the only union in this city that gets that tax break, the only one. And so they should not get that tax break.

Now I want to read to my colleagues something that was in the Indianapolis Star newspaper editorial just a week ago because this really upsets me. It says:

This summer the NEA annual convention passed a resolution supporting a month-long celebration "as a means of acknowledging the contributions of lesbians, gays and bisexuals throughout history."

The celebration was the brain child of Rodney Wilson, a gay high school teacher from St. Louis. What Wilson wanted in this October and every subsequent October, was for public high schools to focus on a gay curriculum detailing the history of homosexual persecution and acknowledging the homosexuality of some historical figures.

The latter alone should give parents the jitters. According to a Concerned Women of America ad, the Alyson Almanac, "the fact book of the lesbian and gay community," claims some research indicates that Jesus Christ, Winston Churchill and George Washington were homosexuals.

According to Newsweek magazine, "not a single school district in the nation accepted the history month idea or a proposed gay curriculum. Even the NEA has gotten skittish after hundreds of teachers threatened to quit when the resolution passed in July."

The Concerned Women organization was right to target the NEA action and any move to promote a gay history month. Comparing such a month, as some advocates have done, to Black History Month is an affront to social consciousness and common sense.

Public education has embraced one foolishness after another in recent decades, but parents should scream bloody murder at the first sign a school in their district is prepared to adopt this latest.

Mr. DIXON. Mr. Chairman, I yield 2½ minutes to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Chairman, if anyone had any doubt that this amendment is directed at the speech, the views, of the NEA, that should have been removed by the comments just made by the gentleman from Indiana [Mr. BURTON] who is clearly motivated in going after the NEA because he does not like what they think or say. So lest there be any doubt, this amendment is a clear, I think absolutely unashamed, act of discrimination, picking out 1 organization among 27 that has the same status because many in the majority do not like what they think or say. It is a tour de force as it is seen together with many other things going on around here right now in the suppression of opposing points of view.

Mr. Chairman, it started early in the year with the majority leader sending letters to organizations complaining if

they made charitable donations to organizations that the majority did not like. We are seeing it in the effort being made by the gentlemen from Oklahoma, and Maryland, and Indiana to suppress the ability not just of non-profit organizations, but of many groups and individuals in this country to exercise their rights under the first amendment to the Constitution, masquerading that effort as if it had to do with the misuse of Federal funds when, in fact, we are going after the use of private funds for free political expression, and now this expedient and cynical effort to attack yet another enemy of this new and vindictive majority.

Mr. Chairman, this is part and parcel of freedom of expression. We have to be willing to hear some things we do not like if all of us are going to have the freedom to engage in our constitutionally protected right and responsibility to help shape this great democracy. This is a thinly veiled, if veiled at all, effort to get even, and when we are trying to get even based upon the content of someone else's or some other organization's position, their thought, their speech, we should all be deeply worried about the future of a robust democracy.

Mr. BONILLA. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. CHRISTENSEN], a Member who has worked very hard on this amendment.

Mr. CHRISTENSEN. Mr. Chairman, as my colleagues know, I heard my colleague from Colorado, my colleague from Illinois, just a moment ago talk about cynical ploys and that it is un-American to disagree with someone else's point of view, and that is not the point at all. The point here is just about them paying their property taxes. There is a million six that they are not paying.

The AFL-CIO pays their property taxes. The Teamsters pay their property taxes. The American Federation of Teachers pays their fair share on property taxes. We can disagree, and we can have a honest disagreement in ideology. All we are saying is, "Pay your property taxes." That is all this is about.

Mr. Chairman, it is a simple amendment. It says the NEA should pay their property taxes. Now I see why Forbes magazine not too long ago called the NEA not the National Education Association, but the National Extortion Association. That more accurately depicts what the NEA really stands for.

Mr. BONILLA. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I think everything has been said that needs to be said on this issue. The NEA is clearly in violation of their original intended purpose when their tax exemption was granted. It is time for us to be honest about this issue. I do think that there are some other institutions that are in the city of Wash-

ton, DC, that we should probably look at in the future, but this is a good start.

I do though want to emphasize that Members of our side of the aisle will be eager and ready to work with Members of the other side of the aisle in ferreting out some of these other institutions that have property tax exemptions, and let us get them to start paying property taxes to the city of Washington, DC, because the city needs the revenue and needs the money.

So in the meantime, Mr. Chairman, I believe that we should all support this Bonilla amendment.

Mr. BONILLA. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Texas [Mr. BONILLA] is recognized for 2 minutes.

Mr. BONILLA. Mr. Chairman, I would like to close on this amendment by pointing out very clearly that no one who is supporting this amendment is opposed to free speech in this country. There is no American in this country that supports free speech as strongly as I do. What we have here is the philosophical difference. Those of us who are supporting an amendment and other issues similar to this in this Congress are tired of groups that have opinions of feeding at the public trough and then using that money to advocate political positions. I believe the NEA should thrive and survive and have a long life beyond this day to advocate the positions that they feel strongly about, absolutely. What I do not think they should do is use public money or have special privileges in order to advocate those positions.

As my colleagues know, there is one sense that the American people believe in very strongly in this country, and that is fairness, fairness. There is no other union that has this special tax exemption. Fairness. There is no other group that has this special tax exemption that is allowed to venture beyond the congressional charter boundaries which were originally created to go out and advocate their position. If the NEA or any other advocacy group in this country, be they left, or right, or in the middle, would like to go out and continue advocating their positions, wonderful, do it with their privately raised funds, do it with volunteers, do it with people who believe in their position. But do not try to hoodwink the public into trying to fool them and thinking that their tax money is somehow going somewhere else when in fact it is going to subsidize a position, a political position, in this country.

And I do not care whether that position again is a liberal position or a conservative position. It is wrong to feed at the public trough and then go out and advocate political positions in this country. We are tired of this. This is a dirty little secret that we are determined to expose across this country, and a "yes" vote on this amendment will help put an end to this once and for all.

Mr. DIXON. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. DIXON] is recognized for 2½ minutes.

Mr. DIXON. Mr. Chairman, the word "responsibility" has been raised several times in this debate. I believe that we all have a responsibility to this institution to follow due process. This is not the committee of jurisdiction. There have been no hearings. We heard the gentleman from Georgia come to the well a minute ago and say, "We all know they violated the charger, so let us snatch their charter, and move on, and maybe we will talk about some others." That is not the way that this institution should proceed.

My colleagues have the votes. Send this to the Committee on the Judiciary. have a hearing where witnesses can come and bring that testimony. This charter was conferred by the Congress and should follow a process to revoke that charter.

So I am not weighing in on the merits of the case at all.

□ 1715

I am saying that you have a responsibility to this institution. I am sure that the brother of the gentleman from California, Mr. ROBERT DORNAN, teaches due process, and that is my point. You have made up your mind, I would say to the gentleman from Texas [Mr. BONILLA] and the gentleman from Georgia [Mr. LINDER] has made up his mind. But that is not the way we operate around here. That is not the way we should operate around here. Make your case to the Committee on the Judiciary on this and any other issue. Do not make up your mind and try to shove this down the body's throat.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. BONILLA].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 210, noes 213, 2, not voting 7, as follows:

[Roll No. 758]

AYES—210

Allard	Blute	Chenoweth
Archer	Boehner	Christensen
Armey	Bonilla	Chrysler
Bachus	Bono	Clinger
Baker (CA)	Brewster	Coble
Baker (LA)	Brownback	Coburn
Ballenger	Bryant (TN)	Collins (GA)
Barr	Bunning	Combest
Barrett (NE)	Burr	Cooley
Bartlett	Burton	Cox
Barton	Buyer	Crane
Bass	Callahan	Crapo
Bateman	Calvert	Cremeans
Bereuter	Camp	Cubin
Bilbray	Canady	Cunningham
Bilirakis	Chabot	Deal
Bliley	Chambliss	DeLay

Diaz-Balart	Istook	Radanovich	Moran	Regula	Tejeda
Dickey	Johnson (CT)	Riggs	Morella	Richardson	Thompson
Doolittle	Johnson, Sam	Roberts	Murtha	Rivers	Thornton
Dornan	Jones	Rogers	Nadler	Roemer	Thurman
Dreier	Kasich	Rohrabacher	Neal	Rose	Torres
Duncan	Kim	Ros-Lehtinen	Kim	Roukema	Torricelli
Dunn	King	Roth	Oberstar	Roybal-Allard	Towns
Ehlers	Kingston	Royce	Olver	Rush	Trafigant
Ehrlich	Knollenberg	Salmon	Ortiz	Sabo	Velazquez
Emerson	Kolbe	Sanford	Orton	Sanders	Vento
English	LaHood	Saxton	Owens	Sawyer	Visclosky
Ensign	Largent	Scarborough	Pallone	Schiff	Volkmer
Everett	Latham	Schaefer	Pastor	Schroeder	Walsh
Ewing	LaTourette	Seastrand	Payne (NJ)	Schumer	Ward
Fawell	Laughlin	Sensenbrenner	Payne (VA)	Scott	Waters
Fields (TX)	Lazio	Shadegg	Pelosi	Serrano	Watt (NC)
Flanagan	Lewis (CA)	Shaw	Peterson (FL)	Sisisky	Waxman
Foley	Lewis (KY)	Shays	Peterson (MN)	Skaggs	Williams
Fowler	Lightfoot	Shuster	Pomeroy	Slaughter	Wise
Fox	Linder	Skeen	Poshard	Spratt	Wolf
Franks (CT)	Livingston	Skelton	Pryce	Stark	Woolsey
Frisa	Longley	Smith (MI)	Quinn	Stenholm	Wyden
Funderburk	Lucas	Smith (NJ)	Rahall	Stokes	Wynn
Galleghy	Manzullo	Smith (TX)	Ramstad	Studds	Yates
Ganske	McCollum	Smith (WA)	Rangel	Stupak	Young (FL)
Gekas	McCrery	Solomon	Reed	Tanner	Zimmer
Geren	McDade	Souder			
Gilchrest	McInnis	Spence			
Gillmor	McIntosh	Stearns	Gunderson	Obey	
Goodlatte	McKeon	Stockman			
Goodling	Metcalf	Stump			
Goss	Meyers	Talent			
Graham	Mica	Tate	Fields (LA)	Moakley	Wilson
Greenwood	Miller (FL)	Tauzin	Hall (OH)	Tucker	
Gutknecht	Molinari	Taylor (MS)	Harman	Weldon (PA)	
Hall (TX)	Montgomery	Taylor (NC)			
Hancock	Moorhead	Thomas			
Hansen	Myers	Thornberry			
Hastert	Myrick	Tiahrt			
Hastings (WA)	Nethercutt	Torkildsen			
Hayes	Neumann	Upton			
Hayworth	Norwood	Vucanovich			
Hefley	Nussle	Waldholtz			
Heineman	Oxley	Walker			
Henger	Packard	Wamp			
Hilleary	Parker	Watts (OK)			
Hoekstra	Paxon	Weldon (FL)			
Hoke	Petri	Weller			
Hostettler	Pickett	White			
Hunter	Pombo	Whitfield			
Hutchinson	Porter	Wicker			
Hyde	Portman	Young (AK)			
Inglis	Quillen	Zeliff			

## NOES—213

Abercrombie	Dicks	Johnson (SD)
Ackerman	Dingell	Johnson, E. B.
Andrews	Dixon	Johnston
Baesler	Doggett	Kanjorski
Baldacci	Dooley	Kaptur
Barcia	Doyle	Kelly
Barrett (WI)	Durbin	Kennedy (MA)
Becerra	Edwards	Kennedy (RI)
Beilenson	Engel	Kennelly
Bentsen	Eshoo	Kildee
Berman	Evans	Kleccka
Bevill	Farr	Klink
Bishop	Fattah	Klug
Boehrlert	Fazio	LaFalce
Bonior	Filner	Lantos
Borski	Flake	Leach
Boucher	Foglietta	Levin
Browder	Forbes	Lewis (GA)
Brown (CA)	Ford	Lincoln
Brown (FL)	Frank (MA)	Lipinski
Brown (OH)	Franks (NJ)	LoBiondo
Bryant (TX)	Frelinghuysen	Lofgren
Bunn	Frost	Lowe
Cardin	Furse	Luther
Castle	Gejdenson	Maloney
Chapman	Gephardt	Manton
Clay	Gibbons	Markey
Clayton	Gilman	Martinez
Clement	Gonzalez	Martini
Clyburn	Gordon	Mascara
Coleman	Green	Matsui
Collins (IL)	Gutierrez	McCarthy
Collins (MI)	Hamilton	McDermott
Condit	Hastings (FL)	McHale
Conyers	Hefner	McHugh
Costello	Hilliard	McKinney
Coyne	Hinchee	McNulty
Cramer	Hobson	Meehan
Danner	Holden	Meek
Davis	Horn	Menendez
de la Garza	Houghton	Mfume
DeFazio	Hoyer	Miller (CA)
DeLauro	Jackson-Lee	Minge
Dellums	Jacobs	Mink
Deutsch	Jefferson	Mollohan

## ANSWERED "PRESENT"—2

Gunderson

## NOT VOTING—7

Fields (LA)	Moakley	Wilson
Hall (OH)	Tucker	
Harman	Weldon (PA)	

□ 1737

Mr. QUINN changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HOSTETTTLER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOSTETTTLER: Page 37, line 15, strike "No funds" and insert "(a) No funds".

Page 37, line 22, strike "; nor shall any" and all that follows through "1992".

Page 38, insert after line 2 the following:

(b) The Health Care Benefits Expansion Act (D.C. Law 9-114; sec. 36-1401 et seq., D.C. Code) is hereby repealed.

The CHAIRMAN. Pursuant to the rule, the gentleman from Indiana [Mr. HOSTETTTLER] will be recognized for 15 minutes, and a Member in opposition will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HOSTETTTLER].

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

Mr. Chairman, I rise today to offer an amendment to strike down the District of Columbia's so-called domestic partners ordinance, a misguided statute that Congress has blocked the District from implementing for the past 3 years. In fact, this city act has never been implemented, which is a critical point that needs to be made. It is time today to put this bad bill to a final rest and clear away this issue so the District and the Congress can begin building a more constructive relationship. Congress has never seen fit to appropriate \$1 for this legislation, and act that seeks to provide health care and extend other legal benefits to domestic partners defined as those unmarried couples who are over 18 and who live together.

Many, I'm sure, will oppose my amendment today, saying Congress is meddling in the District's matters. Or, even worse some my claim, Congress is meddling in a place where we never should venture: the bedroom. Perhaps there will also be a few here today who will castigate me for offering legislation based on what is the preferred over that many will say is the perverted. Such is the nature of our debate.

I am offering legislation today to make an important public policy statement about families in our Nation's Capital, the very seat of our whole Nation's Federal Government. This legislation is not about extending health care benefits to the needy. I can guarantee you that there are an infinite number of ways that the city can do this without enacting a domestic partnership law. This amendment is about right and wrong, about the proper role of government in general and about the appropriate role of the Federal Government in involving itself in the affairs of the Nation's Capital. Supporters of my amendment seek to affirm the positive, not to cast stones at those engaging in alternative lifestyles. We seek to lift up and honor the family, not to put down and shame anyone who does not make a commitment to furthering the family.

But let me address those opposed to my measure before I highlight the important public policy aspects of my amendment.

First, striking down this statute, which Congress has thrice blocked from being implemented, is not meddling in the local government of the District of Columbia. Congress has a clear, express, unquestioned constitutional responsibility to direct the District of Columbia, the Federal City, especially if the passage and implementation of poor public policy is at hand. Yes, Congress passed home rule, and gave the District's local governing authority greater power to enact ordinances on matters where the Congress had otherwise been silent. But this body never gave up our authority, nor renounced our responsibility to oversee our Nation's Capital. On the contrary, we reserved those rights, as we needed to under the Constitution. The statute at issue today confirms the wisdom of the Framers of the Constitution and the wise heads in a prior Congress which preserved this role for the Congress in Washington, DC. We have the right and the responsibility to act and that includes the repeal of any District act at any time. The District of Columbia is the Nation's Capital, the Federal City, our national government's seat. This seat cannot and should not be kidnapped by any group—of the left or right—to make political statement. We have the right and indeed I would argue we have the responsibility to act in this matter and strike down the Domestic Partners Act. Now while we are

on the issue of the Constitution, I cannot forget to point out that during hearings that were held on this issue in 1992, a number of significant public policy issues were raised by many legal experts including the fact that this act quite possibly is preempted by the Employee Retirement Income Security Act of 1994, which renders this act unconstitutional.

Now other who oppose my measure will say I seek to inject congressional authority and oversight in a place it should never go—the bedroom. They will again offer the well-worn phrases about consenting adults being able to engage in whatever consensual acts they wish. Well, I point out at the outset of this debate that this bill is not about sex. I know that admission will disappoint many; I can see stunned staffers looking up from their overheated word processors now as they prepared to defend sexual promiscuity and sexual orientation and sexual everything else. But that's the wrong speech. The issue before this Congress is whether we will allow the District to carry a statute on its book that allows a domestic partner, a person so vaguely defined that it can be a homosexual lover, a same-sex lover, a roommate, a member of one's extended family, a homeless person one invites into their abode, to enjoy health benefits and other legal rights by virtue of their so-called partnership with a District of Columbia government employee or any other individual for that matter.

The problem with this act is the statement it makes about family, equating the support we give families as a society and as units of government with loosely affiliated partners. It equates the faithful familial ties that are the bedrock of our society's stability and the loving environment in which we rear the next generation with a roommate or a casual live-in lover or a down-on-their-luck friend who moves to get health benefits.

Still others may rise today and say I am only disparaging gays and lesbians to satisfy a personal mean streak or to win political points at home with certain groups. This argument, too, misses the mark. My amendment seeks to lift up the positive, to value the valuable, to hold up the ideal. Government, I believe, has every right to uphold the ideal, to esteem, to value, to honor the best. Society, and society's tool of government, has a clear right and, indeed, a clear responsibility to encourage the preferred. We need to honor traditional families, which are the Nation's best hope for emotionally healthy and happy, well-adjusted citizens who can govern themselves and continue this experiment in self-government we call America.

Government can give preference to the best for our people—the best by any standard, whether health indicators or happiness measures, without punishing or singling out the aberrant, the alternative, the less-than-best. We as a Congress must stand up and say that we are familiar with the social re-

search, we are familiar with the findings of the caring professions and mental health, we know the conclusions of the health care workers. All point to the dire need in our Nation today for stable, two-parent loving families that will honor all family measures, especially their children.

The DC statute denigrates that loving, sacrificial commitment by turning these relationships into a menu of economic goodies to be grabbed by simply going down to the Mayor's office and signing in. Living together? Come on down for health care and more. Shackling up? Then you need to sign up.

This is hardly the basis of sound fiscal stewardship or enlightened public policy, which the American taxpayer and the American citizen can expect, especially from our Nation's Capital.

But whether we agree with the misguided policy, the backhanded slap at the family cannot and should not be tolerated by this Congress. We have thrice blocked this poor piece of work. Today we need to kill it and put this issue behind this Congress for good.

□ 1745

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

Mr. DIXON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from California [Mr. DIXON] is recognized for 15 minutes.

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

Mr. Chairman, this amendment clearly illustrates the mean-spiritedness of this Congress. This law is intended to extend health coverage, something that everyone should have, to a domestic partner.

Yes, they can be gay; yes, they can be lesbian, but they can also be heterosexual.

This amendment costs the District government nothing. The employee pays the entire amount for the additional person carried.

What is wrong with the District government deciding to extend this benefit at no expense to them and of great ability to cover someone in their health benefit?

Yes, there is a division in this country about homosexuality, but certainly everyone is entitled to health care, and the District has made some other people eligible for it. That is all that is happening here. It is, in fact, a cost saving to the District. Because if the person does not have insurance, they, in fact, would probably go to the general hospital or some other public facility.

I understand your reservations about some lifestyles, but you are not going to change any lifestyle. You do not recognize any lifestyle by extending to a person health care coverage. That is all the DC law does. Why should Congress repeal that important progressive initiative by the District of Columbia?

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

Mr. HOSTETTLER. Mr. Chairman, I yield 2 minutes to my distinguished

colleague, the gentleman from Georgia [Mr. BARR].

Mr. BARR. I thank the gentleman for yielding me the time.

Mr. Chairman, the question is very simple. Do we want the Congress to give its approval as representatives of all the people of this country to a law in the District of Columbia over which Congress has very clear and appropriate authority that, for purposes of extending certain privileges, not entitlements, not rights, to so-called domestic partners, placing nontraditional groupings of people, men and men, women and women, nonmarried couples on par with the traditional family structure of men and women, in marriage, with children?

I think that it is very appropriate for this Congress to step forward, have the backbone to say what previous Congresses have not done. They have done it through the back door, by simply not extending funding, to once and for all stand up and say that we do believe there is merit in the traditional family structure that has done this country so well for so long.

We believe that that heritage ought to be protected and preserved, and we think it is wrong for jurisdictions, particularly those over which this Congress has jurisdiction, to go against the grain of American history, to go against the grain of the strength of our society. This legislation is good, it is limited, it is appropriate, it does what previous Congresses have not had the backbone to do. It steps forward and says traditional family structures are good for this country. They have been the backbone of this country. They ought to remain the backbone of this country and we should not weaken that.

I support the gentleman's amendment and urge its adoption.

Mr. DIXON. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. STUDDS].

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

Mr. STUDDS. Mr. Chairman, I have a stable, loving family.

As many Members know, this weekend I announced my intention not to seek a 13th term in this body. When I did so, I had at my side my stable, loving family: My brother, his wife, my sister. Her husband unfortunately had died a few months ago. He was a Presbyterian minister who led the fight within his church for the ordination of openly gay clergy. He would have been there. I think he was there in spirit. It was in a church that we made the announcement. And my partner, Dean Hara, whom a great many of you, perhaps most of you, know and a great many of you consider as a very close friend.

My colleague from Massachusetts has a stable, loving family; and my colleague from Wisconsin has a stable, loving family.

I would suggest that Members do something that is rare around here; that is, read the law that we are proposing to repeal. I just did that.

We have heard it referred to as privileges and economic goodies, among other things.

Let me tell you what this law does that you now are asked to repeal. It defines a domestic partner as a person with whom an individual maintains a committed relationship. It defines a committed relationship as a familial relationship between two individuals characterized by mutual caring—mutual caring—and the sharing of a mutual residence. I do not know why that frightens or offends anyone in this institution.

What are the benefits? Unless you are an employee of the District of Columbia, and I will come to that in a moment, there is only one sentence under domestic partnership benefits. See how this frightens you: All health care facilities, including hospitals, convalescent facilities, or other long-term care facilities shall allow a patient's family member to visit the patient.

That is the sum total of what is granted by this law to every resident of the District of Columbia who is not an employee of the District.

If there is any Member of this House that thinks that I or Mr. FRANK or Mr. GUNDERSON or any of the dozens of gay and lesbian staff members on both sides of this aisle ought to be denied the right to visit the hospital if their domestic partner is ill or dying, I would like to hear them stand up here and say that.

If you are an employee of the District of Columbia, here is what you are granted by the statute: Sick leave when needed to care for a family member. Funeral leave or annual leave when needed to make arrangements for or to attend a funeral or memorial service for a family member.

I have had more experience than I would like to have had attending such memorial services, and I am damned if anybody in this institution is going to tell me or anyone else that they can be forbidden the right to attend a memorial service for someone they love.

The only provision in the District statute, the only provision other than the ones I have read to you, the only privilege, as it has been characterized, the only economic goody, as it has been characterized, is optional self-financed health benefits for employees of the District of Columbia. They are allowed, and I quote, to purchase, to purchase family health insurance coverage. That is it.

That, my friends, is what we are being asked to repeal. I fail to comprehend how that could offend any person.

Mr. HOSTETTLER. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DORNAN], the former fighter pilot and colleague of mine in the Committee on National Security.

Mr. DORNAN. Mr. Chairman, I predicted about 10 years ago that I some-

day would come to this floor and announce a great tragedy in modern American life. Having just gotten the statistics this week from the Centers for Disease Control, the time has come.

More Americans in the prime of life, including thousands of children, have died because of the AIDS virus than were killed in World War II. We are now past 295,000 deaths out of 470,000 some odd reported cases. There were thousands of deaths in the early part of the 1980s that were not reported because of merciful doctors putting down as the cause of death, the proximate cause, because of the immune system collapsing, they would put down cancer or heart attack. So here we are with more people dead of AIDS than World War II, 300,000 rounded off, people who died.

I understand that that horror gives a great deal of passion to a debate on redefining the family. But what I just learned from the gentleman from California [Mr. DIXON], again I point out, my very distinguished friend, that we are covering roommates.

Two very macho heterosexual firemen or policemen who have alternately saved one another's lives in severe fires or shootouts can be rooming together and have developed a true bonding from professional danger shared that they could get health insurance for one another.

I do not know of anybody who has ever been denied going to be a memorial service ever. I never heard of that in my life. I do not know why anybody in a life-threatening situation in the hospital cannot designate a long list of friends that he or she would rather see even than some family members, blood members who have not been too kind to them. I never heard of that until recent times, and that can be easily resolved.

What we are simply debating here in the federally controlled District of Columbia is a redefinition of the family.

I do not know. These heterosexual roommates, two wives who maybe their husbands were killed in a plane crash, they go to know one another through legal process and they became close and their children got to know one another. Now they are rooming together, and they have different economic situations.

Have they come to me and lobbied me that we would like to have all the advantages of the traditional American family? I have never heard of anybody lobbying like that.

Or two Vietnam vets who alternately shared a combat and saved one another's lives and have become roommates, heterosexual roommates, I have never heard of any of them lobbying that we now have to redefine the American family. I am not prepared to redefine the American family.

Vote "yes" on the Hostettler amendment.

So in conclusion, Mr. Chairman, I close with these salient points.

First, we all know that the intent of this law is to officially recognize and sanction homo-

sexual and heterosexual relationships which are outside the bonds of marriage.

Second, some are invoking the Home Rule argument to prevent the repeal of this ridiculous law. This amendment is entirely consistent with the mechanisms of Congressional review under the Home Rule Act. Congress has only delegated authority to the District government, it has not abdicated its constitutional obligations.

Third, this law erodes the legal status of the traditional family and denigrates the sanctity of marriage.

Fourth, if you want to look at reasons why we have too much drug abuse, too much teenage pregnancy, too many problems in our schools, too much crime in America, look no further than the breakdown of the American family unit. I, for one, will not be a party to any measure that tries to break down the family any further than it already is.

Fifth, besides giving health benefits and sick leave to both heterosexual and homosexual couples who are merely living together, this law gives the appearance that the Congress endorses such behavior. It also forces the residents of the District and indeed all Americans to accept the devaluation of marriage and the traditional family unit.

Sixth, this is a vote to keep the Nation's Capital in tune with the values that we are supposed to be promoting.

Mr. DIXON. Mr. Chairman, I yield 2½ minutes to the gentleman from the District of Columbia [Ms. NORTON].

Ms. NORTON. I thank the gentleman for yielding me the time.

Mr. Chairman, the overriding theme, if there is any, of the 104th Congress, appears to be devolving power back to the localities. More than any measure that has come on the House floor today, this is the real test of whether the majority means it.

This, of course, is an utterly redundant provision, because it is already in the bill. The gentleman from Indiana [Mr. HOSTETTLER] raises the ante by saying let us amend the D.C. Code on an appropriations bill.

It is an insult to the District to amend our law and all and certainly in this way.

This is a gratuitously self-indulgent amendment because it rises to do what is already done in the body of the bill. It is one of those easy targets that makes you say, "Why don't you pick on somebody your own size?"

□ 1800

District of Columbia residents feel deeply about bigotry. It may have to do with the fact that many of us are people of color. In my district, most of my residents are Baptists and Fundamentalists.

But, in the District, there is a consensus that gay men and lesbians ought to be able to register and purchase health care if they happen to be D.C. government employees, and this bill has a de minimis effect because it can help only D.C. government employees. So my constituents of every religious background and of every persuasion on the question of gays and lesbians support this bill as applied to gay men and lesbians.



I want you to know who the chief beneficiaries of this bill are given our demographics: Two elderly people living together, a disabled person who cannot live alone, two sisters or brothers living together, a grandchild and a grandparent living together, a mother and a grown daughter living together. That is who you would deny if you deny us the right to pass this bill which power should devolve to pass.

Who supports this provision? the National Council of Senior Citizens, the District of Columbia Nurses' Association, the Gray Panthers, Concerned Clergy of D.C., Churchwomen United, Disciples of Christ. We support this bill. This is our jurisdiction. Let us do with our lives and with our constituents what you might not choose to do. Give us our full rights as American citizens to recognize all of our citizens.

Do not vote for this amendment.

Mr. HOSTETTLER. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Chairman, I rise in support of the gentleman's amendment to repeal the D.C. Domestic Partnership Act.

We voted on this last year. We got 251 votes. Basically, what this did is shut down the funding; but we did not have an amendment like this which basically from now on will prevent this from happening.

I ask my colleagues to listen carefully. The District of Columbia is a fiscal nightmare. There is too much spending and not enough savings, a classic example of big government, big spending that was wholeheartedly rejected by the voters in 1994. Priorities must be set. Repealing the Domestic Partnership Act is the perfect opportunity to set some priorities in this House and ensure that funding for non-essential programs will not be sanctioned by this Congress.

Laws that, in essence, allow homosexual, heterosexual couples to cohabit, register as domestic partners and receive health benefits in addition to other legal rights undermine the traditional moral values that are the bedrock of this Nation. Legitimizing these relationships will only serve to erode our Nation's values. The Domestic Partnership Act is nothing more than a revolving door for people who have no desire to enter into marriage but still wish to receive all the legal and social benefits of the sacred institution of marriage.

We must make it clear that these relationships will not be endorsed by this Congress.

Support the amendment offered by the gentleman from Indiana to ensure that D.C. sets its budgetary priorities straight. Say "no" to irresponsible social experimenting, and let us not tonight redefine the definition of the family. Vote "yes" on this amendment.

Mr. DIXON. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, this bill does not implicate, contrary to the previous speaker, any funds. This bill would allow, or rather this amendment would prohibit the District of Columbia law that allows a domestic partner to visit his partner in a hospital, that allows a public employee in the District of Columbia to self-finance family health insurance for himself or herself and his or her domestic partner, self-finance. This has nothing to do with financing. This has nothing to do with the fiscal crisis of the District of Columbia.

This simply has to do with Congress deciding for motives of hatred of gay people and lesbians to reach in and tell local government, "You may not have an enlightened policy."

The gentleman, the previous speaker, said this is beneficial to people who have no desire to marry. There is no jurisdiction in the country which allows a gay person or lesbian person to marry. All the District of Columbia has decided is certain benefits, to visit the sick, to take annual leave, to take leave for bereavement, to bury their domestic partner, that they are entitled to that. But we are going to say no, we will not let you decide that. The hypocrisy of saying that we support local rights, we support home rule, when it has nothing to do with fiscal policy, and then passing this amendment is paramount, is supreme.

I urge a "no" vote on this amendment on grounds of home rule and grounds of simple humanity.

Mr. HOSTETTLER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oklahoma [Mr. ISTOOK].

Mr. ISTOOK. Mr. Chairman, article I, section 8 of the U.S. Constitution says the Congress of the United States has the authority to exercise exclusive legislation in all cases whatsoever over the District of Columbia. In fact, when the home rule charter was passed for the District of Columbia, that authority was expressly retained because we cannot give it away. Even if we wanted to, we have responsibility for the laws of the District of Columbia, and if they are out of tune with what they should be, with what should be the laws in the United States of America, we as Members of Congress have the obligation, we have the duty, we have taken an oath that says we will act.

Three years straight, the House of Representatives and the Senate in bills that have passed and been signed into law by the President, 3 years straight we have said the law that is now at issue will not be effective, will not be enforced. We have had votes in 1994, in 1993, in 1992, and now in 1995. It is time that we say we make this a permanent restriction.

We do not believe in redefining the family. I heard a speaker say, after all, this measure says that people ought to be treated with the same advantages as if they were married if they are heterosexual and living together. He thought

that made the bill better. I say it makes it worse. If you are saying that without benefit of marriage you want to encourage people to live together and redefine the definition of family to include that, the same as a husband and wife, then you are twisting what a family is. You are twisting what marriage is. You are undercutting families in the United States of America.

We have enough problems already. Family decline is at the root of problems in schools, problems in drug use, of too many teenage pregnancies. Marriages might have occurred and now people say, "We don't need to have them because we can have an alternative to family. We can undercut the basic building block of our society." That is wrong. That is wrong to do so. The country will collapse if families collapse, and the are teetering and tottering already.

We do not need the Nation's Capital to say we are going to undercut family values. In fact, we are going to kidnap the very definition of what constitutes a family. We are going to redefine it as though we can improve upon what has given stability and strength to this country for its two centuries plus.

Mr. Chairman, I encourage people to vote in favor of the amendment. Say permanently the Congress of the United States is not going to redefine family and is not going to undercut marriage.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Chairman, I join the gentlewoman from the District of Columbia for her wisdom in recognizing that there is something to sovereignty.

This bill covers disabled citizens. It covers those unable to care for themselves. It covers the grandmothers living with the daughter trying to protect their life and jointly raising children. Yes, it covers African-Americans, Asians, Latinos, it covers gays and lesbians. It simply covers the human family.

I am somewhat concerned with the new message of the U.S. Congress of States rights. Although I recognize that many time States rights enslaved me as an African-American, I am prepared now to join with them and give to the District of Columbia the privilege of being able to say that they believe in the humanity of all mankind and womankind, if you will, and that they should have the opportunity to rise up to be covered by good health care, to visit their loved ones, to protect grandmothers, protect the disabled and simply run their business.

I do not know why we have nothing else to do and why we feel we must intrude into this process. I simply ask for fairness, ladies and gentlemen, just a simple question of fairness. Treat all people alike.

This is a bad amendment. I would ask you to vote against it and vote for humanity and believe that gays and lesbians are human as well.

Mr. HOSTETTLER. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, in conclusion, I would just like to reiterate the points that need to be made in consideration of this amendment.

First of all, we have a constitutional obligation in this issue. Article I, section 8, clause 17, is that authority under which I am offering this amendment. Section 601 of the Home Rule Act further returns to the Constitution on Congress' ability to legislate here.

Also, there is the issue of ERISA preemption. We are also considering the moral and legal erosion of the traditional family in this.

We also must then point out, Mr. Chairman, that in all practical terms this legislation has never been implemented. This Congress has never appropriated \$1 for the implementation of this legislation in this legislation's history, and so that must be reiterated.

I would like to also point out, as I am, that there is something very wrong with a piece of legislation that says this, that a person may register a new domestic partner after a waiting period of only 6 months. Thereby, a person could feasibly put two domestic partners a year onto his or her health plan every year for the rest of his or her life.

Mr. Chairman, I am coming up very soon now on 12 years of marriage. Marriage is an institution in this country that I believe needs to be edified and exalted, and our Congress should do its part.

I ask for a "yea" vote on this amendment.

Mr. DIXON. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I hope intellectual honesty is still in order. ERISA, schmariisa, this is not about ERISA. This is about people who want to show a dislike and disapproval of gay men and lesbians, and for some odd reason, apparently they find gay men and lesbians more obnoxious if we happen to be in a stable relationship than if we are not.

□ 1815

This is the "Promote Promiscuity Act," I suppose, but people sometimes get into unintended consequences. Let us also be clear the nitpicking of the statute, it is a District of Columbia ordinance, is besides the point. If it were tightened, if it in fact said this is for gay men and lesbians who could not otherwise be married, they would be just as angry.

I did agree with the gentleman from California, who pointed out how many people have died of AIDS, who were well below the normal age at which people die. I welcome his support for greater AIDS funding. Maybe he will

explain to the Senator from North Carolina the relevance of that, when more people have died of AIDS than died in World War II.

But I want to address this notion that somehow this undermines the family. Members have said "Well, people are here looking for their approval." Herb and I have been together for 8 years. I want to assure those who have spoken in favor of this, we do not seek your approval. It is of no consequence to us whatsoever.

What we seek is to protect ourselves, and, even more, people more vulnerable than us, from the bigotry and interference that would harass them, belittle them, and deny them basic rights. And you say "Well, you have got to do this. It is not meanness, it is not bigotry. You have got to do it, because it would undermine the family."

That is bizarre. Is your faith in the family of such fragility that you think people are going to learn that Herb and I live together, that Dean and Gary live together, and they are going to leave their wives?

I have said this before. There was a commercial before about V-8 Juice, and there would be this cartoon character. And he would drink an apple juice, and he would drink a tomato juice, and he would drink a carrot juice. And someone would give him a V-8, and he would say, "I could have had a V-8."

What are we, gay men, the V-8 of American society? Are you so frightened that people will see two men living together in a loving relationship, or two women living together in a loving relationship, and that will undermine the family? Shame on those. You are the ones who undermine the family when you trivialize it like this.

If you want to compare, if your view of the family is that materialistic, apparently some of them believe on the other side that if you do not bribe people, they will not stay in their families. If you have that materialistic view, I would say do not worry, because there will still be many, many more advantages. The right to visit someone who is very ill, and that right has been denied to gay partners. It is not purely academic, it has been denied to people. The material balance will still be on your side.

But I have to know what it is, how does this mechanism work? How are we undermining families? And you say, "Well, we don't want the Federal Government to give this stamp of approval." That is a very totalitarian concept of the Federal Government. What happened to your libertarianism? Is it not the role of the Federal Government in fact to let people make their own choices. Are you saying that the people you represent, the people for whom you speak, do not think what they do has value, unless it is stamped "kosher for Passover" by the Federal Government, the necessary changes being made?

I do not understand the logic here. In fact, what has happened is the District

of Columbia, and, by the way, I am also struck, I guess maybe the New York Times is going to have to recall the issue of a couple weeks ago with the picture of Marion Barry and NEWT GINGRICH on the cover, the two pals. Speaker GINGRICH said he is for home rule. What, until bigotry says otherwise?

We are not talking about the constitutional right to do things. We have a constitutional right to do a lot of things. The question is whether or not we should do it.

What is it that drives us to say that we will strike from the books something that was democratically done by the elected people of the District of Columbia? "Well, it is going to undermine the family." I have asked and asked and asked again, how does the fact that Herb and I share a residence in the District of Columbia, and care for each, and love each other, and wish to spend our time together, how does that undermine your family? What is it about our life that is going to tear asunder these family ties?

What we are talking about, and this makes it very clear, we are not talking about a threat to the family. We are talking about people who cannot abide, apparently, people differing with them. That is what we are talking about.

I have no desire to abandon families. Ten days ago Herb and I were hosts to his sister and brother-in-law and their two children, and then my niece came down. We are both members of loving, extended families. We interact quite well with our families.

This is an absolute tissue of lies, this assertion that you are doing this to protect the family, because anyone who understands families, who understands what the emotion really is that brings families together, could not think that we undermine the family.

I would ask the Members to vote with the earliest speaker in favor of home rule, and not with this effort to impose bigotry on the people of the District of Columbia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HOSTETTLER].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 249, noes 172, answered "present" 1, not voting 10, as follows:

[Roll No. 759]

AYES—249

Allard	Barcia	Bilbray
Archer	Barr	Bilirakis
Armey	Barrett (NE)	Bliley
Bachus	Bartlett	Boehner
Baesler	Bass	Bonilla
Baker (CA)	Bateman	Boucher
Baker (LA)	Bereuter	Brewster
Ballenger	Bevill	Browder

Brownback	Hayes	Pombo
Bryant (TN)	Hayworth	Pomeroy
Bunn	Hefley	Porter
Bunning	Hefner	Portman
Burr	Heineman	Poshard
Burton	Hergert	Pryce
Buyer	Hilleary	Quillen
Callahan	Hobson	Quinn
Calvert	Hoekstra	Radanovich
Camp	Hoke	Rahall
Canady	Holden	Ramstad
Chabot	Hostettler	Regula
Chambliss	Hunter	Riggs
Chenoweth	Hutchinson	Roberts
Christensen	Hyde	Roemer
Chrysler	Inglis	Rogers
Clement	Istook	Ros-Lehtinen
Clinger	Johnson (SD)	Rose
Coble	Johnson, Sam	Roth
Coburn	Jones	Roukema
Collins (GA)	Kasich	Royce
Combest	Kim	Salmon
Cooley	King	Sanford
Costello	Kingston	Saxton
Cox	Knollenberg	Scarborough
Cramer	LaFalce	Schaefer
Crane	LaHood	Seastrand
Crapo	Largent	Sensenbrenner
Cremins	Latham	Shadegg
Cubin	LaTourette	Shaw
Cunningham	Laughlin	Shuster
Danner	Lewis (CA)	Sisisky
Davis	Lewis (KY)	Skeen
de la Garza	Lightfoot	Skelton
Deal	Linder	Smith (MI)
DeLay	Lipinski	Smith (NJ)
Diaz-Balart	Livingston	Smith (TX)
Dickey	LoBiondo	Smith (WA)
Doolittle	Longley	Solomon
Dornan	Lucas	Souder
Dreier	Manton	Spence
Duncan	Manzullo	Spratt
Dunn	Martini	Stearns
Edwards	McCollum	Stenholm
Ehlers	McCreery	Stockman
Ehrlich	McHugh	Stump
Emerson	McInnis	Stupak
Everett	McIntosh	Talent
Ewing	McKeon	Tanner
Fawell	McNulty	Tate
Fields (TX)	Metcalf	Tauzin
Forbes	Meyers	Taylor (MS)
Fowler	Mica	Taylor (NC)
Fox	Miller (FL)	Tejeda
Franks (CT)	Molinari	Thornberry
Frisa	Mollohan	Tiahrt
Funderburk	Montgomery	Upton
Galleghy	Moorhead	Visclosky
Ganske	Myers	Vucanovich
Gekas	Myrick	Waldholtz
Geren	Nethercutt	Walker
Gillmor	Neumann	Walsh
Goodlatte	Ney	Wamp
Goodling	Norwood	Watts (OK)
Gordon	Nussle	Weldon (FL)
Goss	Ortiz	Weller
Graham	Orton	Whitfield
Gutknecht	Oxley	Wicker
Hall (OH)	Packard	Wilson
Hall (TX)	Parker	Wise
Hamilton	Paxon	Wolf
Hancock	Payne (VA)	Young (AK)
Hansen	Peterson (MN)	Young (FL)
Hastert	Petri	Zeliff
Hastings (WA)	Pickett	Zimmer

## NOES—172

Abercrombie	Clayton	Evans
Ackerman	Clyburn	Farr
Andrews	Coleman	Fattah
Baldacci	Collins (IL)	Fazio
Barrett (WI)	Collins (MI)	Filner
Barton	Condit	Flake
Becerra	Conyers	Flanagan
Beilenson	Coyne	Foglietta
Bentsen	DeFazio	Foley
Berman	DeLauro	Ford
Bishop	Dellums	Frank (MA)
Blute	Deutsch	Franks (NJ)
Boehlert	Dicks	Frelinghuysen
Bonior	Dingell	Frost
Bono	Dixon	Furse
Borski	Doggett	Gejdenson
Brown (CA)	Dooley	Gephardt
Brown (FL)	Doyle	Gibbons
Brown (OH)	Durbin	Gilchrest
Bryant (TX)	Engel	Gilman
Cardin	English	Gonzalez
Castle	Ensign	Green
Clay	Eshoo	Greenwood

Gunderson	Markey	Sanders
Gutierrez	Martinez	Sawyer
Hastings (FL)	Mascara	Schiff
Hilliard	Matsui	Schroeder
Hinchee	McCarthy	Schumer
Horn	McDermott	Scott
Houghton	McHale	Serrano
Hoyer	McKinney	Shays
Jackson-Lee	Meehan	Skaggs
Jacobs	Meek	Slaughter
Jefferson	Menendez	Stark
Johnson (CT)	Mfume	Stokes
Johnson, E. B.	Miller (CA)	Studds
Johnston	Minge	Thomas
Kanjorski	Mink	Thompson
Kaptur	Moran	Thurman
Kelly	Morella	Torkildsen
Kennedy (MA)	Nadler	Torres
Kennedy (RI)	Neal	Torricelli
Kennelly	Oberstar	Towns
Kildee	Olver	Traficant
Kleczka	Owens	Velazquez
Klink	Pallone	Vento
Klug	Pastor	Ward
Kolbe	Payne (NJ)	Waters
Lantos	Pelosi	Watt (NC)
Lazio	Peterson (FL)	Waxman
Leach	Rangel	White
Levin	Reed	Williams
Lewis (GA)	Richardson	Woolsey
Lincoln	Rivers	Wyden
Lofgren	Rohrabacher	Wynn
Lowe	Roybal-Allard	Yates
Luther	Rush	
Maloney	Sabo	

## ANSWERED "PRESENT"—1

Obey

## NOT VOTING—10

Chapman	Moakley	Volkmer
Fields (LA)	Murtha	Weldon (PA)
Harman	Thornton	
McDade	Tucker	

## □ 1840

Mr. BONO, Mr. BALDACCI, and Ms. BROWN of Florida changed their vote from "aye" to "no."

Mr. NEY and Mr. FORBES changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

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

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. AL-LARD) having assumed the chair, Mr. HASTINGS of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2446) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1996, and for other purposes, had come to no resolution thereon.

#### REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST FURTHER CONFERENCE REPORT ON H.R. 1977, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1996

Ms. PRYCE, from the Committee on Rules, submitted a privileged report (Rept. No. 104-304) on the resolution (H. Res. 253) waiving points of order against the further conference report to accompany the bill (H.R. 1977) making appropriations for the Department

of the Interior and related agencies for the fiscal year ending September 30, 1996, and for other purposes, which was referred to the House Calendar and ordered to be printed.

## PERSONAL EXPLANATION

Mr. RUSH. Mr. Speaker, on rollcall votes 733 and 734, I was unavoidably detained and was not here to vote.

Mr. Speaker, had I been here to vote, I would have voted, "aye" on rollcall vote 733 and "aye" on rollcall vote 734.

#### PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TOMORROW DURING 5-MINUTE RULE

Mr. SCARBOROUGH. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit tomorrow while the House is meeting in the Committee of the Whole House under the 5-minute rule.

Committee on Banking and Financial Services, Committee on Commerce, Committee on Economic and Educational Opportunities, Committee on Government Reform and Oversight, Committee on House Oversight, Committee on the Judiciary, Committee on National Security, Committee on Resources, Committee on Science, and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

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

There was no objection.

## ORDER OF BUSINESS

Mr. SCARBOROUGH. Mr. Speaker, I ask unanimous consent that the order of the 5-minute special orders granted today to Ms. ROS-LEHTINEN and Mr. CLINGER be transposed.

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

There was no objection.

#### REPUBLICAN RESPONSE TO DYING ON THE VINE

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

Mr. LINDER. Mr. Speaker, I just must respond to the comments made by the gentleman before me because they are simply not true.

What the Speaker has said in a speech last week was he would like for the Health Care Financing Administration to wither on the vine. So would I. So would everyone.

As we take Medicare into more private markets with managed care opportunities and private insurance opportunities, we hope that the Health