

For example, if an agriculturally oriented business in New Mexico went to the technology transfer officers at LANL with a problem, Los Alamos would be able to find out if any of the laboratories in the Departments of Agriculture or Interior, for instance, have expertise that is useful to that company.

The bill also gives far better incentives to Federal inventors who are an imperative necessity to our national security. Currently, inventors receive only 15 percent of the royalty stream from their inventions, meaning that most inventions have produced less than \$2,000 a year. By changing the calculations so that agencies pay inventors the first \$2,000 of the royalties received by the agency for the inventions made by the employee as well as 15 percent of the royalties above that amount, the bill provides these employees with greater incentives and equitable compensation.

Finally, H.R. 2196 clarifies that a Federal laboratory, agency, or department may give, loan, or lease excess scientific equipment to public and private schools and non-profit organizations without regard to Federal property disposal laws, for example, General Services Administration [GSA].

Therefore, if LANL wanted to donate unused equipment to a New Mexico school, it would not have to go through the bureaucratic red tape that is now required. Some Labs would rather store their unwanted equipment rather than going through the hassle of GSA disposal.

Mr. Speaker, H.R. 2196 is a bill of importance to the Federal Laboratories. It advocates technology transfer, creates an incentive for Federal inventors, and makes it easier to donate equipment to needy schools. The Technology Transfer and Advancement Act of 1995 is good legislation.

Mr. WALKER. Mr. Speaker, I commend the gentlelady from Maryland for her leadership in bringing H.R. 2196, the National Technology Transfer and Advancement Act to the floor.

As Chair of the Science Committee, I am proud of the committee's rich tradition of promoting technology transfer from our Federal laboratories.

I especially wish to applaud the chairwoman for her bipartisan leadership on this bill and in her efforts to promote effective technology transfer from our Federal laboratories. H.R. 2196 represents the type of legislation which this new Congress must undertake.

I am also very pleased that H.R. 2196 includes amendments to the Fastener Quality Act. These amendments are very important to the fastener industry and the need to include these changes to the current act is clear. The Fastener Advisory Committee was formed to determine if the act would have a detrimental impact on business. The Fastener Advisory Committee reported that without their recommended changes the burden of cost would be close to \$1 billion on the fastener industry.

The act addresses the concerns of the Fastener Advisory Committee regarding mill heat certification, mixing of like certified fasteners, and sale of minor nonconformances.

Working with this Congress and NIST, the Fastener Public Law Task Force, comprised of members from manufacturing, importing, and distributing, has worked to improve the law while maintaining safety and quality. The Public Law Task Force represents 85 percent of all companies involved in the manufacture, distribution, and importation of fasteners and their suppliers in the United States.

Combined, the task force represents over 100,000 employees in all 50 States. We have worked with both sides of the aisle, the administration, manufacturers, distributors, and importers to reach this solution and I support the changes to the Fastener Quality Act.

I urge my colleagues to support H.R. 2196. Mr. DINGELL. Mr. Speaker, I understand that most provisions of H.R. 2196 have been discussed and negotiated in a bipartisan fashion by Members of both bodies. Far too little effort during this Congress has been expended toward meaningful bipartisan legislative action and, for that significant accomplishment, I applaud the sponsors of this measure.

However, I am compelled to state for the record, as I have in the past, my concerns about portions of this bill that amend the Fastener Quality Act. As noted most recently in my December 12, 1995 statement, some of the fastener amendments included in this legislation appear to be designed to appease foreign manufacturers of fasteners (and some distributors who sell such foreign fasteners) rather than to protect the safety of American industry and consumers.

No hearings have been held on the need for some of the fastener provisions in this bill nor has any credible justification been advanced for their inclusion in this legislation. For example, the only reason cited for amending the Fastener Quality Act's traceability provisions (which Chairman WALKER favorably cited in his statement supporting the original legislation) is the supposedly excessive cost that would be imposed on businesses. A few distributors and foreign manufacturers—that is, those who profit from making and selling counterfeit and substandard fasteners—have produced wildly exaggerated figures to back up their claim that the original act's limited commingling prohibition will be the death knell for the fastener industry.

While foreign manufacturers and some fastener distributors have spent millions of dollars lobbying for these and other legislative changes to the Fastener Quality Act, other American companies simply rolled up their sleeves and went to work to ensure that adequate traceability procedures exist, including compliance with the original act's commingling provisions. These companies have told us something completely different than what the foreign manufacturers and their distributor chums have said. They tell us that the limited commingling requirements are necessary to provide better traceability of fasteners. And they also tell us the costs of putting these requirements into practice are minimal. Obviously, someone is wrong.

There is much huffing and puffing these days about the need to promote quality in all aspects of American business and government. Yet, some of the fastener amendments in this bill do just the opposite. It is a fact that the best American manufacturing and distribution companies have for many years maintained sophisticated lot control and traceability procedures for a wide array of products, including pharmaceuticals, hardware, food, and soft drinks. Yet, due to heavy lobbying by foreign fastener manufacturers and their sellers, amendments in this bill weaken quality standards and make it easier for counterfeit and substandard fasteners to make their way into American commerce and into American products.

During the multiyear investigation by the Subcommittee on Oversight and Investigations

on fasteners, it was demonstrated that the most serious problems with counterfeit and substandard fasteners originated beyond our borders. The motive for making and selling such fasteners is obvious—to cut production costs and increase profits. In weakening the law today, we help makers and sellers of bad fasteners and, in the process, hurt those companies that produce quality products.

At least, enactment of these amendments should lead to promulgation of the long overdue implementing regulations by the National Institute on Standards and Technology. Despite its failure to do so during this Congress and in prior years, I would hope that NIST keep us fully apprised of its efforts to implement and enforce the Fastener Quality Act and that it act aggressively to finalize all implementing regulations as quickly as possible.

Mr. TANNER. Mr. Speaker, I have no further requests for time. I would like to thank our staff folks who have helped put this together and thank the gentlewoman from Maryland again.

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

The SPEAKER pro tempore (Mr. DUNCAN). The question is on the motion offered by the gentlewoman from Maryland [Mrs. MORELLA] that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 2196.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1996

Mr. LAZIO of New York. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1494) to provide an extension for fiscal year 1996 for certain program administered by the Secretary of Housing and Urban Development and the Secretary of Agriculture, and for other purposes, as amended.

The Clerk read as follows:

S. 1494

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Housing Opportunity Program Extension Act of 1996".

SEC. 2. MULTIFAMILY HOUSING ASSISTANCE.

(a) SECTION 8 CONTRACT RENEWAL.—Notwithstanding section 405(b) of the Balanced Budget Downpayment Act, I (Public Law 104-99; 110 Stat. 44), at the request of the owner of any project assisted under section 8(e)(2) of the United States Housing Act of 1937 (as such section existed immediately before October 1, 1991), the Secretary of Housing and Urban Development may renew, for a period of 1 year, the contract for assistance under such section for such project that expires or terminates during fiscal year 1996 at current rent levels.

(b) **LOW-INCOME HOUSING PRESERVATION.**—

(1) **USE OF AMOUNTS.**—Notwithstanding any provision of the Balanced Budget Downpayment Act, I (Public Law 104-99; 110 Stat. 26) or any other law, the Secretary shall use the amounts described in paragraph (2) of this subsection under the authority and conditions provided in the 2d undesignated paragraph of the item relating to "HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING" in title II of the bill, H.R. 2099 (104th Congress), as passed the House of Representatives on December 7, 1995; except that for purposes of this subsection, any reference in such undesignated paragraph to March 1, 1996, shall be construed to refer to April 15, 1996, any reference in such paragraph to July 1, 1996, shall be construed to refer to August 15, 1996, and any reference in such paragraph to August 1, 1996, shall be construed to refer to September 15, 1996.

(2) **DESCRIPTION OF AMOUNTS.**—Except as otherwise provided in any future appropriation Act, the amounts described under this paragraph are any amounts that—

(A) are—

(i) unreserved, unobligated amounts provided in an appropriation Act enacted before the date of the enactment of this Act;

(ii) provided under the Balanced Budget Downpayment Act, I; or

(iii) provided in any appropriation Act enacted after the date of the enactment of this Act; and

(B) are provided for use in conjunction with properties that are eligible for assistance under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the Emergency Low Income Housing Preservation Act of 1987.

SEC. 3. COMMUNITY DEVELOPMENT BLOCK GRANTS.

(a) **DIRECT HOMEOWNERSHIP ACTIVITIES.**—Notwithstanding the amendments made by section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act, section 105(a)(25) of the Housing and Community Development Act of 1974, as in existence on September 30, 1995, shall apply to the use of assistance made available under title I of the Housing and Community Development Act of 1974 during fiscal year 1996.

(b) **INCREASE IN CUMULATIVE LIMIT.**—Section 108(k)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(k)(1)) is amended by striking "\$3,500,000,000" and inserting "\$4,500,000,000".

SEC. 4. EXTENSION OF RURAL HOUSING PROGRAMS.

(a) **UNDERSERVED AREAS SET-ASIDE.**—Section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended—

(1) in the first sentence, by striking "fiscal years 1993 and 1994" and inserting "fiscal year 1996"; and

(2) in the second sentence, by striking "each".

(b) **RURAL MULTIFAMILY RENTAL HOUSING.**—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1994" and inserting "September 30, 1996".

(c) **RURAL RENTAL HOUSING FUNDS FOR NON-PROFIT ENTITIES.**—The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking "fiscal years 1993 and 1994" and inserting "fiscal year 1996".

SEC. 5. LOAN GUARANTEES FOR MULTIFAMILY RENTAL HOUSING IN RURAL AREAS.

(a) **IN GENERAL.**—The provisions of section 5 of the bill, H.R. 1691 (104th Congress), as passed the House of Representatives on October 30, 1995, are hereby enacted into law.

(b) **TECHNICAL AMENDMENT.**—Section 538 of the Housing Act of 1949 (as added by the amendment made pursuant to subsection (a)

of this section) is amended by striking "Homesteading and Neighborhood Restoration Act of 1995" each place it appears and inserting "Housing Opportunity Program Extension Act of 1996".

SEC. 6. EXTENSION OF FHA MORTGAGE INSURANCE PROGRAM FOR HOME EQUITY CONVERSION MORTGAGES.

(a) **EXTENSION OF PROGRAM.**—The first sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking "September 30, 1996" and inserting "September 30, 2000".

(b) **LIMITATION ON NUMBER OF MORTGAGES.**—The second sentence of section 255(g) of the National Housing Act (12 U.S.C. 1715z-20(g)) is amended by striking "30,000" and inserting "50,000".

(c) **ELIGIBLE MORTGAGES.**—Section 255(d)(3) of the National Housing Act (12 U.S.C. 1715z-20(d)(3)) is amended to read as follows:

"(3) be secured by a dwelling that is designed principally for a 1- to 4-family residence in which the mortgagor occupies 1 of the units;"

SEC. 7. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(2)) is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to the extend of or in such amounts as any funding limitation approved in appropriation Acts, the Association shall enter into commitments to issue guarantees under this subsection in an aggregate amount of \$110,000,000,000 during fiscal year 1996. There are authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees issued under this Act by the Association such sums as may be necessary for fiscal year 1996."

SEC. 8. EXTENSION OF MULTIFAMILY HOUSING FINANCE PROGRAMS.

(a) **RISK-SHARING PILOT PROGRAM.**—The first sentence of section 542(b)(5) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not more than 15,000 units over fiscal years 1993 and 1994" and inserting "on not more than 7,500 units during fiscal year 1996".

(b) **HOUSING FINANCE AGENCY PILOT PROGRAM.**—The first sentence of section 542(c)(4) of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note) is amended by striking "on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995" and inserting "on not more than 12,000 units during fiscal year 1996".

SEC. 9. SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING.

(a) **CONTRACT PROVISIONS AND REQUIREMENTS.**—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended—

(1) in subsection (k), in the matter following paragraph (6)—

(A) by striking "on or near such premises" and inserting "on or off such premises"; and

(B) by striking "criminal" the first place it appears; and

(2) in subsection (l)(5), by striking "on or near such premises" and inserting "on or off such premises".

(b) **AVAILABILITY OF CRIMINAL RECORDS FOR SCREENING AND EVICTION.**—Section 6 of the United States Housing Act of 1937 (42 U.S.C. 1437d) is amended by adding at the end the following new subsection:

"(g) **AVAILABILITY OF RECORDS.**—

"(1) **IN GENERAL.**—

"(A) **PROVISION OF INFORMATION.**—Notwithstanding any other provision of law, except

as provided in subparagraph (B), the National Crime Information Center, police departments, and other law enforcement agencies shall, upon request, provide information to public housing agencies regarding the criminal conviction records of adult applicants for, or tenants of, public housing for purposes of applicant screening, lease enforcement, and eviction.

"(B) **EXCEPTION.**—A law enforcement agency described in subparagraph (A) shall provide information under this paragraph relating to any criminal conviction of a juvenile only to the extent that the release of such information is authorized under the law of the applicable State, tribe, or locality.

"(2) **OPPORTUNITY TO DISPUTE.**—Before an adverse action is taken with regard to assistance under this title on the basis of a criminal record, the public housing agency shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(3) **FEE.**—A public housing agency may be charged a reasonable fee for information provided under paragraph (1).

"(4) **RECORDS MANAGEMENT.**—Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

"(A) maintained confidentially;

"(B) not misused or improperly disseminated; and

"(C) destroyed, once the purpose for which the record was requested has been accomplished.

"(5) **DEFINITION.**—For purposes of this subsection, the term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law."

(c) **INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED ACTIVITY.**—Section 6 of the United States Housing Act of 1937 is amended by adding after subsection (q) (as added by subsection (b) of this section) the following new subsection:

"(r) **INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED ACTIVITY.**—Any tenant evicted from housing assisted under this title by reason of drug-related criminal activity (as that term is defined in section 8(f)) shall not be eligible for housing assistance under this title during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist)."

(d) **INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS FOR ASSISTED HOUSING.**—Section 16 of the United States Housing Act of 1937 (42 U.S.C. 1437n) is amended—

(1) in the section heading by striking "INCOME"; and

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

"(e) **INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.**—

"(1) **IN GENERAL.**—Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 8—

"(A) that prohibit occupancy in any public housing dwelling unit by, and assistance under section 8 for, any person—

"(i) who the public housing agency determines is illegally using a controlled substance; or

"(ii) if the public housing agency determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may

interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

"(B) that allow the public housing agency to terminate the tenancy in any public housing unit of, and the assistance under section 8 for, any person—

"(i) who the public housing agency determines is illegally using a controlled substance; or

"(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the public housing agency to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

"(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of a controlled substance or a pattern of abuse of alcohol, a public housing agency may consider whether such person—

"(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

"(B) has otherwise been rehabilitated successfully and is no longer in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

"(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

"(3) INAPPLICABILITY TO INDIAN HOUSING.—This subsection does not apply to any dwelling unit assisted by an Indian housing authority."

SEC. 10. PUBLIC HOUSING DESIGNATED FOR ELDERLY AND DISABLED FAMILIES.

(a) AUTHORITY FOR DESIGNATION.—Section 7 of the United States Housing Act of 1937 (42 U.S.C. 1437e) is amended to read as follows:

"DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

"SEC. 7. (a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

"(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a public housing agency for which a plan under subsection (d) is in effect may provide public housing projects (or portions of projects) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

"(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated.

"(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may provide that near-elderly families may occupy dwelling units in the project (or portion).

"(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 16(e)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) pursuant to this section or because of any action taken by the Secretary or any public housing agency pursuant to this section.

"(c) RELOCATION ASSISTANCE.—A public housing agency that designates any existing

project or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

"(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family;

"(2) access to comparable housing (including appropriate services and design features), which may include tenant-based rental assistance under section 8, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

"(3) payment of actual, reasonable moving expenses.

"(d) REQUIRED PLAN.—A plan under this subsection for designating a project (or portion of a project) for occupancy under subsection (a)(1) is a plan, prepared by the public housing agency for the project and submitted to the Secretary, that—

"(1) establishes that the designation of the project is necessary—

"(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

"(B) to meet the housing needs of the low-income population of the jurisdiction; and

"(2) includes a description of—

"(A) the project (or portion of a project) to be designated;

"(B) the types of tenants for which the project is to be designated;

"(C) any supportive services to be provided to tenants of the designated project (or portion);

"(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the project accommodate the special environmental needs of the intended occupants; and

"(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the project were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents.

"(e) REVIEW OF PLANS.—

"(1) REVIEW AND NOTIFICATION.—The Secretary shall conduct a limited review of each plan under subsection (d) that is submitted to the Secretary to ensure that the plan is complete and complies with the requirements of subsection (d). The Secretary shall notify each public housing agency submitting a plan whether the plan complies with such requirements not later than 60 days after receiving the plan. If the Secretary does not notify the public housing agency, as required under this paragraph or paragraph (2), the plan shall be considered, for purposes of this section, to comply with the requirements under subsection (d) and the Secretary shall be considered to have notified the agency of such compliance upon the expiration of such 60-day period.

"(2) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under subsection (d), the Secretary shall specify in the notice under paragraph (1) the reasons for the noncompliance and any modifications necessary for the plan to meet such requirements.

"(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under subsection (d) only if—

"(A) the plan is incomplete in significant matters required under such subsection; or

"(B) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan.

"(4) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a public housing agency shall be considered to have submitted a plan under this subsection if the agency has submitted to the Secretary an application and allocation plan under this section (as in effect before the date of the enactment of the Housing Opportunity Program Extension Act of 1996) that have not been approved or disapproved before such date of enactment.

"(f) EFFECTIVENESS.—

"(1) 5-YEAR EFFECTIVENESS OF ORIGINAL PLAN.—A plan under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under subsection (e)(1) of the public housing agency that the plan complies with the requirements under subsection (d).

"(2) RENEWAL OF PLAN.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an agency may extend the effectiveness of the designation and plan for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the plan. The Secretary may not limit the number of times a public housing agency extends the effectiveness of a designation and plan under this paragraph.

"(3) TRANSITION PROVISION.—Any application and allocation plan approved under this section (as in effect before the date of the enactment of the Housing Opportunity Program Extension Act of 1996) before such date of enactment shall be considered to be a plan under subsection (d) that is in effect for purposes of this section for the 5-year period beginning upon such approval.

"(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No tenant of a public housing project shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing project or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

"(h) INAPPLICABILITY TO INDIAN HOUSING.—The provisions of this section shall not apply with respect to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority."

"(b) AUTHORIZATION OF APPROPRIATIONS FOR IMPLEMENTATION OF ALLOCATION PLANS.—There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary for rental subsidy contracts under the existing housing certificate and housing voucher programs under section 8 of the United States Housing Act of 1937 for public housing agencies to implement allocations plans for designated housing under section 7 of such Act that are approved by the Secretary of Housing and Urban Development.

SEC. 11. ASSISTANCE FOR HABITAT FOR HUMANITY AND OTHER SELF-HELP HOUSING PROVIDERS.

"(a) GRANT AUTHORITY.—The Secretary of Housing and Urban Development may, to the extent amounts are available to carry out this section and the requirements of this section are met, make grants for use in accordance with this section to—

(1) Habitat for Humanity International, whose organizational headquarters are located in Americus, Georgia; and

(2) other national or regional organizations or consortia that have experience in providing or facilitating self-help housing homeownership opportunities.

(b) GOALS AND ACCOUNTABILITY.—In making grants under this section, the Secretary

shall take such actions as may be necessary to ensure that—

(1) assistance provided under this section is used to facilitate and encourage innovative homeownership opportunities through the provision of self-help housing, under which the homeowner contributes a significant amount of sweat equity toward the construction of the new dwelling;

(2) assistance provided under this section for land acquisition and infrastructure development results in the development of not less than 4,000 new dwellings;

(3) the dwellings constructed in connection with assistance provided under this section are quality dwellings that comply with local building and safety codes and standards and are available at prices below the prevailing market prices;

(4) the provision of assistance under this section establishes and fosters a partnership between the Federal Government and Habitat for Humanity International, its affiliates, and other organizations and consortia, resulting in efficient development of affordable housing with minimal governmental intervention, limited governmental regulation, and significant involvement by private entities;

(5) activities to develop housing assisted pursuant to this section involve community participation similar to the homeownership program carried out by Habitat for Humanity International, in which volunteers assist in the construction of dwellings; and

(6) dwellings are developed in connection with assistance under this section on a geographically diverse basis, which includes areas having high housing costs, rural areas, and areas underserved by other homeownership opportunities that are populated by low-income families unable to otherwise afford housing.

If, at any time, the Secretary determines that the goals under this subsection cannot be met by providing assistance in accordance with the terms of this section, the Secretary shall immediately notify the applicable Committees in writing of such determination and any proposed changes for such goals or this section.

(c) ALLOCATION.—Of any amounts available for grants under this section—

(1) 62.5 percent shall be used for a grant to the organization specified in subsection (a)(1); and

(2) 37.5 percent shall be used for grants to organizations and consortia under subsection (a)(2).

(d) USE.—

(1) PURPOSE.—Amounts from grants made under this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.

(2) ELIGIBLE EXPENSES.—For purposes of paragraph (1), the term “eligible expenses” means costs only for the following activities:

(A) LAND ACQUISITION.—Acquiring land (including financing and closing costs).

(B) INFRASTRUCTURE IMPROVEMENT.—Installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure.

Such term does not include any costs for the rehabilitation, improvement, or construction of dwellings.

(e) ESTABLISHMENT OF GRANT FUND.—

(1) IN GENERAL.—Any amounts from any grant made under this section shall be deposited by the grantee organization or consortium in a fund that is established by such organization or consortium for such amounts, administered by such organization or consor-

tium, and available for use only for the purposes under subsection (d). Any interest, fees, or other earnings of the fund shall be deposited in the fund and shall be considered grant amounts for purposes of this section.

(2) ASSISTANCE TO HABITAT FOR HUMANITY AFFILIATES.—Habitat for Humanity International may use amounts in the fund established for such organization pursuant to paragraph (1) for the purposes under subsection (d) by providing assistance from the fund to local affiliates of such organization.

(f) REQUIREMENTS FOR ASSISTANCE TO OTHER ORGANIZATIONS.—The Secretary may make a grant to an organization or consortium under subsection (a)(2) only pursuant to—

(1) an expression of interest by such organization or consortia to the Secretary for a grant for such purposes;

(2) a determination by the Secretary that the organization or consortia has the capability and has obtained financial commitments (or has the capacity to obtain financial commitments) necessary to—

(A) develop not less than 30 dwellings in connection with the grant amounts; and

(B) otherwise comply with a grant agreement under subsection (i); and

(3) a grant agreement entered into under subsection (i).

(g) TREATMENT OF UNUSED AMOUNTS.—Upon the expiration of the 6-month period beginning upon the Secretary first providing notice of the availability of amounts for grants under subsection (a)(2), the Secretary shall determine whether the amount remaining from the aggregate amount reserved under subsection (c)(2) exceeds the amount needed to provide funding in connection with any expressions of interest under subsection (f)(1) made by such date that are likely to result in grant agreements under subsection (i). If the Secretary determines that such excess amounts remain, the Secretary shall provide the excess amounts to Habitat for Humanity International by making a grant to such organization in accordance with this section.

(h) GEOGRAPHICAL DIVERSITY.—In using grant amounts provided under subsection (a)(1), Habitat for Humanity International shall ensure that the amounts are used in a manner that results in national geographic diversity among housing developed using such amounts. In making grants under subsection (a)(2), the Secretary shall ensure that grants are provided and grant amounts are used in a manner that results in national geographic diversity among housing developed using grant amounts under this section.

(i) GRANT AGREEMENT.—A grant under this section shall be made only pursuant to a grant agreement entered into by the Secretary and the organization or consortia receiving the grant, which shall—

(1) require such organization or consortia to use grant amounts only as provided in this section;

(2) provide for the organization or consortia to develop a specific and reasonable number of dwellings using the grant amounts, which number shall be established taking into consideration costs and economic conditions in the areas in which the dwellings will be developed, but in no case shall be less than 30;

(3) require the organization or consortia to use the grant amounts in a manner that leverages other sources of funding (other than grants under this section), including private or public funds, in developing the dwellings;

(4) require the organization or consortia to comply with the other provisions of this section;

(5) provide that if the organization or consortia has not used any grant amounts within 24 months after such amounts are first disbursed to the organization or consortia,

the Secretary shall recapture such unused amounts; and

(6) contain such other terms as the Secretary may require to provide for compliance with subsection (b) and the requirements of this section.

(j) FULFILLMENT OF GRANT AGREEMENT.—If the Secretary determines that an organization or consortia awarded a grant under this section has not, within 24 months after grant amounts are first made available to the organization or consortia, substantially fulfilled the obligations under the grant agreement, including development of the appropriate number of dwellings under the agreement, the Secretary shall use any such undisbursed amounts remaining from such grant for other grants in accordance with this section.

(k) RECORDS AND AUDITS.—During the period beginning upon the making of a grant under this section and ending upon close-out of the grant under subsection (l)—

(1) the organization awarded the grant under subsection (a)(1) or (a)(2) shall keep such records and adopt such administrative practices as the Secretary may require to ensure compliance with the provisions of this section and the grant agreement; and

(2) the Secretary and the Comptroller General of the United States, and any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the grantee organization or consortia and its affiliates that are pertinent to the grant made under this section.

(l) CLOSE-OUT.—The Secretary shall close out a grant made under this section upon determining that the aggregate amount of any assistance provided from the fund established under subsection (e)(1) by the grantee organization or consortium exceeds the amount of the grant. For purposes of this paragraph, any interest, fees, and other earnings of the fund shall be excluded from the amount of the grant.

(m) ENVIRONMENTAL REVIEW.—A grant under this section shall be considered to be funds for a special project for purposes of section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994.

(n) REPORT TO CONGRESS.—Not later than 90 days after close-out of all grants under this section is completed, the Secretary shall submit a report to the applicable Committees describing the grants made under this section, the grantees, the housing developed in connection with the grant amounts, and the purposes for which the grant amounts were used.

(o) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICABLE COMMITTEES.—The term “applicable Committees” means the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(3) UNITED STATES.—The term “United States” includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States.

(p) REGULATIONS.—The Secretary shall issue any final regulations necessary to carry out this section not later than 30 days after the date of the enactment of this Act. The regulations shall take effect upon issuance and may not exceed, in length, 5 full pages in the Federal Register.

SEC. 12. FUNDING FOR SELF-HELP HOUSING ASSISTANCE, NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM, AND CAPACITY BUILDING THROUGH NATIONAL COMMUNITY DEVELOPMENT INITIATIVE.

(a) **AUTHORITY TO USE ASSISTED HOUSING AMOUNTS.**—To the extent and for the purposes specified in subsection (b), the Secretary of Housing and Urban Development may use amounts in the account of the Department of Housing and Urban Development known as the Annual Contributions for Assisted Housing account, but only such amounts which—

(1) have been appropriated for a fiscal year that occurs before the fiscal year for which the Secretary uses the amounts; and

(2) have been obligated before becoming available for use under this section.

(b) **FISCAL YEAR 1996.**—Of the amounts described in subsection (a), \$80,000,000 shall be available to the Secretary of Housing and Urban Development for fiscal year 1996 in the following amounts for the following purposes:

(1) **SELF-HELP HOUSING ASSISTANCE.**—\$40,000,000 for carrying out section 11 of this Act.

(2) **NATIONAL CITIES IN SCHOOLS COMMUNITY DEVELOPMENT PROGRAM.**—\$10,000,000 for carrying out section 930 of the Housing and Community Development Act of 1992 (Public Law 102-550; 106 Stat. 3887).

(3) **CAPACITY BUILDING THROUGH NATIONAL COMMUNITY DEVELOPMENT INITIATIVE.**—\$10,000,000 for carrying out section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note).

SEC. 13. APPLICABILITY AND IMPLEMENTATION.

(a) **APPLICABILITY.**—This Act and the amendments made by this Act shall be construed to have become effective on October 1, 1995.

(b) **IMPLEMENTATION.**—The amendments made by sections 9 and 10 shall apply as provided in subsection (a) of this section, notwithstanding the effective date of any regulations issued by the Secretary of Housing and Urban Development to implement such amendments or any failure by the Secretary to issue any such regulations.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] will each be recognized for 20 minutes.

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

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Let me begin by thanking my friend and colleague, the ranking member of the Subcommittee on Housing and Community Opportunity, the gentleman from Massachusetts [Mr. KENNEDY], for his cooperation and work in trying to bring these extenders to the floor.

Mr. Speaker, S. 1494, the Housing Opportunity Program Extension Act of 1996, is an important bill and, with the amendment being offered by the Banking Committee, will avoid inappropriate and unnecessary hardship.

The Senate passed this legislation on January 24, 1996, to provide guidance to the administration and extend programs left in question following President Clinton's veto of H.R. 2099, the VA-HUD and Independent Agencies Ap-

propriations Act. Although the Senate initiatives are well intentioned, it is important that the legislation address initiatives that the House has already passed earlier in this Congress. S. 1494 includes provisions similar to those included in H.R. 117, which passed on October 24, 1995, with a recorded vote of 415 to 0. Other provisions of S. 1494 incorporate initiatives from H.R. 1691 passed by voice vote under suspension just 6 days later.

Our amendment to S. 1494 recognizes the efforts of several Members of this House, such as Congressman BLUTE and Congressman NEY, whose hard work on H.R. 117 helped bring about stronger protection for older Americans in our Nation's public housing system.

In his State of the Union Address, the President said he would like to see a one-strike-and-you're-out policy against violent criminals in public housing. While we appreciate his leadership, this bill makes clear that we shouldn't have to wait until there has been an attack on a senior citizen or defenseless family. We should take steps to protect seniors before criminals are allowed into public housing. Criminals shouldn't even get up to bat, let alone be able to take a swing and strike out. Simply calling a criminal out after one strike means that there has been one more innocent victim to crime and violence in public housing. Like H.R. 117, this amendment enables housing authorities to designate facilities as "elderly only" and prohibit occupancy by individuals who are disabled solely because of alcohol or drug abuse.

The amendment also includes another important initiative from H.R. 117 reauthorizing the very successful Home Equity Conversion Mortgage Program, which allows seniors to hold on to their homes and stay in their neighborhoods. Our amendment increases the number of HECM loans available to older Americans from 30,000 to 50,000 through the year 2000.

As amended, this bill reauthorizes the section 515 rural multifamily housing program, a crucial tool for rural communities to house needy families. Though this program received funds through the Agriculture Appropriations Act of fiscal year 1996, its authorization has expired. This bill allows the money, which has already been appropriated, to be spent for low-income rural families.

Under our amendment we also add a new, innovative rural rental loan guarantee program authored by the vice chairman of the Housing Subcommittee, Mr. BEREUTER, and included H.R. 1691. This program has also received an appropriation but cannot operate without authorization. It is an example of the direction we as a government should be going—providing housing loans in partnership with the private sector, rather than direct loans.

I am well aware of concerns that my distinguished friend from Illinois, Congressman DURBIN, has raised with re-

gard to reforming the section 515 program. We all share his concern that the use of Federal dollars should be carefully scrutinized. I applaud the Department of Agriculture's efforts with regard to reforms in section 515 even absent legislation. I assure the Members that any unresolved issues will be dealt with once the Senate has held hearings and debated the matter. I am comfortable authorizing this program for the balance of fiscal year 1996 because of USDA's efforts and because this program is crucial to thousands of low-income families in rural areas who need housing now.

This amendment also changes the Senate bill to support Habitat for Humanity's tremendously successful self-help volunteer housing program. As originally included in H.R. 1691, Habitat will receive a reprogramming of previously appropriated HUD funds for land acquisition and infrastructure needs to support low-income homeownership. This amendment supports Habitat and other self-help housing entities to do their work more effectively and still maintain the essential character of their initiatives.

The House amendment extends Housing Finance Agency Risk-Sharing Pilot Program to 2,000 more units than the Senate's 10,000 and also extends risk-sharing programs with Government sponsored enterprises.

The amendment gives the Secretary of HUD the discretion to renew section 8 moderate rehabilitation contracts as they expire and provides better guidance to the Secretary to operate low-income housing preservation programs as included in H.R. 2099. Although the most recent continuing resolution, H.R. 2088, the Balanced Budget Downpayment Act, provides generally the Government National Mortgage Association pay commitment authority through March 15, 1996, the committee believes that it is more fiscally responsible to our Nation's homeowners to allow GNMA to operate throughout the fiscal year of 1996. The GNMA secondary market function is an integral part of the FHA program.

Without this consistency, it is possible that GNMA may be unable to assist the single family housing markets, particularly for first-time home buyers throughout our Nation. S. 1494 reauthorizes the community development home ownership assistance program, encouraging local governments to develop their own communities.

Mr. Speaker, this legislation and the House amendment was crafted in a bipartisan fashion. I urge my colleagues to support both the amendment and the bill.

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

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I want to thank my good friend, the gentleman from New York [Mr. LAZIO], for the efforts that he has made in trying to

achieve a reasonable sense of balance in terms of extending the authorizations on a number of programs that do a great deal of public good in terms of public housing policy. I appreciate the efforts that he made in taking care of some of the concerns that we had on the Democratic side. I think that his efforts, in particular, with regard to the preservation program, which is an enormously important program affecting literally hundreds of thousands of low-income tenants that without, I believe, Mr. LAZIO's efforts in particular, could have suffered a very, very difficult fate in terms of being thrown out of their apartments as a result of some shortsighted legislation that was passed decades ago that gave landlords the capability of removing lower-income tenants from those buildings once a 20- or 30-year period had passed. Without Mr. LAZIO's individual leadership, I do not think we would have secured the funding that we needed. I very much appreciate the efforts that he made.

I also want to commend the portions of this legislation that Members on both sides of the aisle, the gentleman from Virginia, Mr. MORAN, the gentlemen from Massachusetts, Mr. BLUTE and Mr. FRANK, and others have made in terms of making certain that we have public housing that protects people from drug dealers and others that have disrupted particularly senior public housing from the protections that they need.

We also have provisions in this legislation that continues innovative and creative programs such as the community development block grant home ownership program and the expanded economic development loan authority which is a very creative loan program using CDBG funds over the long term to provide much-needed affordable housing.

As we have seen the affordable housing budget in this country be dramatically reduced, it becomes more and more important that we allow community development corporations, a range of nonprofit builders and others to use the innovative and creative mechanisms that the financiers have come up with to fill the void that has been created.

I think that Mr. LAZIO is making an effort to try to achieve that. There are a number of circumstances where I think we have not gone far enough. I would like to mention a couple of those programs.

First, we need to make certain rent reforms, certain rent reforms so that moderate-income tenants can stay in preservation projects. Existing law has the unintended effect of charging these tenants rents that are higher than what they could get in apartments across the street. HUD is aware of the problem and agrees it has got to be solved. I hope we could get a commitment from the gentleman from New York [Mr. LAZIO] to be able to work on that in some other piece of legislation that might come up shortly.

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Speaker, I know the gentleman has been in communication with the staff on this and with myself, and I appreciate his advocacy efforts on behalf of low-income, moderate-income people. We will be working with the gentleman to try and meet the concerns that he has.

Mr. KENNEDY of Massachusetts. Mr. Speaker, the second issue would be also seeking a small change in the preservation law to allow landlords of State-financed projects who have prepaid their Federal mortgages to try to get back into the program if they choose. I am afraid that a number of such owners have already prepaid those mortgages when it was unclear that any funds would become available. In other words, prior to the time that Mr. LAZIO made the efforts to actually get this program funded, a number of landlords prepaid. Those tenants are very much at risk and there are a number of tenants that exist in my own district and around other States that are facing imminent displacement and being thrown out of their homes.

If we could take care of that, I know that the gentleman tried very hard and we ran into problems on the Senate side. If the gentleman could briefly indicate that this would be something that he would support as well.

Mr. LAZIO of New York. Mr. Speaker, if the gentleman will continue to yield, I would say that again I appreciate the gentleman's concerns on this. We have been working with the department, HUD, and with the Senate to try and come up with some solution that would be agreeable to all parties. We will continue to work with the gentleman on this issue.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I thank the gentleman very much.

I want to say to my good friend, the gentleman from Illinois, Mr. DURBIN, that I am very sorry that Mr. LAZIO was unable, although he tried to accommodate the concerns that Mr. DURBIN has raised very effectively in his role on the Committee on Appropriations with regard to the 515 rural housing program. It is a program that has been rife with problems, rip-offs, and troubles that Mr. DURBIN has done a tremendous amount of work in trying to reform. Those reforms have been included in legislation that this House has accepted in times past. Yet for some reason that I cannot understand, they were excluded from this bill.

It makes no sense. I understand that the gentleman from Illinois [Mr. DURBIN] is going to have more to say about his opposition to this bill as a result of the fact that those reforms were not included.

Again, I think that the overall importance of many of the programs that are being reauthorized is overwhelmingly in favor of this bill. I appreciate

again the efforts that the gentleman has made. I want to thank the gentleman and the members of his staff and the members of our staff as well for the efforts that they have made.

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

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to again thank the gentleman from Massachusetts [Mr. KENNEDY] for his kind remarks and for his cooperation on this.

I include for the RECORD, Mr. Speaker, a section-by-section analysis regarding S. 1494, as amended:

S. 1494 HOUSING OPPORTUNITY PROGRAM EXTENSION ACT OF 1995

SECTION-BY-SECTION ANALYSIS OF HOUSE AMENDMENT IN THE NATURE OF A SUBSTITUTE TO S. 1494

Sec. 1. Title: Housing Opportunity Program Extension Act of 1995

Sec. 2. Multifamily housing assistance

(a) Provides discretionary authority to the HUD Secretary to renew, for one year, expiring Sec. 8 moderate rehabilitation project-based rental assistance contracts.

(b) Provides discretionary authority to the HUD Secretary to operate the preservation program as passed the House in title II of H.R. 2099 (VA/HUD Appropriations Conference Bill) on December 7, 1995.

Sec. 3. Community development block grant eligible activities

(a) Amends Sec. 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act by extending as an eligible activity, homeownership programs under CDBG.

(b) Replace Section 108 Loan Guarantee Aggregate Limit. In addition to the annual loan limitations for the section 108 loan guarantee program set forth in appropriations Acts, current law places an aggregate limit on the cumulative amount of outstanding loans extended under the section 108 program. This limit is \$3.5 billion. The Department will soon hit this limitation. Hence, this provision would increase the aggregate loan limit to \$4.5 billion. This provision does not alter the annual loan limitations set forth in Appropriations Acts.

Sec. 4. Extension of rural housing programs

Authorizes a rural rental multifamily housing direct loan program (Sec. 515 of the Housing Act of 1949) and extends set-asides within the Sec. 515 program for nonprofit sponsors and underserved areas; this program's previously appropriated funds, provided through the enacted Agriculture Appropriations Act of FY 96, are contingent on authorization.

Sec. 5. Loan guarantees for multifamily rental housing in rural areas

Authorizes a rural rental multifamily housing loan guarantee program, as contained in H.R. 1691, which the House passed on October 30, 1995; this program's previously appropriated funds, provided through the enacted Agriculture Appropriations Act of FY 96, are contingent on authorization.

Sec. 6. Extension of FHA mortgage insurance program for home equity conversion mortgages

Authorizes and extends the HECM program through September 30, 2000, as passed by the House through H.R. 117 on October 24, 1995; increases the mortgage insurance authority to a maximum of 50,000 units; and, extends eligibility to 1-4 family owner-occupied units.

Sec. 7. GNMA guarantees of mortgage-backed securities

Amends Sec. 306(g)(2) of the National Housing Act by providing an authorization of commitment authority to the Government National Mortgage Association (GNMA) at \$110 billion for FY 96.

Sec. 8. Extension of multifamily housing finance programs

Amends Sec. 542(b)(5) of the Housing and Community Development Act of 1992 by extending the FHA multifamily mortgage insurance risk-sharing demonstration through FY 96 and provides authority to insure, under the demonstration, up to 7,500 units. Additionally, Sec. 542(c)(4) of HCDA of 1992 is amended by providing authority to the Housing Finance Agencies to enter FHA risk-sharing agreements up to 12,000 units.

Sec. 9. Safety and security in public and assisted housing

Amends Sec. 6 of the U.S. Housing Act of 1937 to require housing authorities to provide occupancy standards and an expedited grievance procedure for the eviction of tenants, in public housing and other assisted projects, who have a pattern of drug or alcohol abuse.

Sec. 10. Public housing designated for elderly and disabled families

Amends Sec. 7 of the U.S. Housing Act of 1937 to streamline procedures for public housing authorities to designate public housing facilities as "elderly only", "disabled only," or "elderly and disabled families only." Additionally, this provision provides authority to evict residents in these designated facilities whose pattern of drug and alcohol abuse would jeopardize the safety and security of the elderly and disabled residents. Authorizes such sums as may be appropriated for FY 96 for public housing agencies to implement plans approved by the Secretary for designated housing.

Sec. 11. Assistance for habitat for humanity and other self-help housing providers

Incorporates H.R. 1691, Sec. 2, which passed the House on October 30, 1995 by providing for a self-help housing program for HUD to provide grants to capable non-profit organizations, including Habitat-for-Humanity. Grant funds must be used for the payment of land and infrastructure costs of single family structures built entirely with donations and contributions of products, volunteer labor and the prospective borrower's sweat equity.

Sec. 12. Funding for self-help housing assistance, national cities in schools community development program, and capacity building through national community development initiative

Provides authority to use \$60 million in appropriation amounts from previous fiscal years to fund (1) self-help housing (Sec. 9) at \$40 million (Habitat-for-Humanity at \$25 million and other Self-Help Housing Groups at \$15 million), (2) National Cities in Schools Communities at \$10 million, and (3) Capacity Building through the National Community Development Initiative (Sec. 4 of the HUD Demonstration Act of 1993) at \$10 million.

Sec. 13. Applicability

Construes effectiveness as of October 1, 1995 and makes sections 9 and 10 of this Act self-executing.

Mr. Speaker, I yield 1 minute to my distinguished colleague, the gentleman from California [Mr. DREIER], a member of the Committee on Rules and one of our great legislative thinkers.

Mr. DREIER. Mr. Speaker, I thank the distinguished chairman of the subcommittee for yielding, and I would simply rise and congratulate him and

the gentleman from Iowa [Mr. LEACH], and others who have played a key role in this legislation.

Mr. Speaker, this is a very important day because it marks another success for a concept that Speaker GINGRICH put forward early on in this Congress, that being the establishment of Corrections Day. We know that there are a great many laws and regulations which are absolutely preposterous, and Speaker GINGRICH offered the proposal to establish a Corrections Day, and so far we have, out of this House, passed 11 items under the Corrections Day Calendar. Four have passed both the House and Senate and become public law. If the Senate agrees with this measure that is before us, it will be the fifth, and I believe that we have been able to work with our Corrections Day Advisory Group in a bipartisan way, and that is very, very great testimony to the effort that has come from both Democrats and Republicans in dealing with this question.

Obviously the issue that has been addressed here is one that has been very near and dear to me. Six years ago I introduced legislation dealing with the issue of drug dealers and public housing, and this specifically goes at the question of the elderly and those who have been tragically victimized, and I believe that the entire package that has been brought forward here will go a long way toward addressing that and other major concerns, and I would simply like to congratulate the subcommittee and the gentleman from New York, Chairman LAZIO and the gentleman from Massachusetts, Mr. KENNEDY, the ranking member, and others who have been involved in this and look forward to another great Corrections Day success here.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 6 minutes to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, public housing and the public financed housing is an important part of the life of many American families. In Chicago and in the State of Illinois I have become more closely acquainted with the challenges facing us, not only in the housing, but also in our responsibility as landlords in public housing.

Mr. Speaker, this is a good bill. Most of the bill I think is very positive, and I salute the gentleman from New York for bringing it to the floor. But I would, at the same time, suggest to all of my colleagues, having said that, that they should vote against this bill, and the reason they should vote against it is very simple.

There is one section of this bill, one section of this bill, which is shameful. In 1994, the appropriations subcommittee which I chaired sent congressional investigators across the country to examine reported abuses in a housing program known as section 515. This is a program where the Federal Government literally creates inducements for developers to build multifamily housing in rural areas and, let me add, rural

areas could be the suburbs of major cities under the definitions of this bill. They are literally across the United States, and at this time under section 515 there are 16,700 projects and over 440,000 units. This is a big program, and when the investigators took a look at it, they found the administration of this program under existing law is nothing short of scandalous, scandalous in the following respects;

We are building these units where they are not needed. Developers come in with political and financial clout and roll the Department of Agriculture into forcing the construction of units where they want to build them. Many times we know as soon as the first shovel hits the ground that building is going to fail and the taxpayers are going to end up holding the bag, but we are stuck with it because of the current law.

And then you know what happens? We find out that when the project fails a lot of the owners like to transfer the project to some other owner. You know what happens in the process? Uncle Sam does not get paid. The taxpayers lose. There is a default.

In our investigation we found in 47 different properties and several States taxpayers lost over \$10.5 million because the money was transferred, the loan was transferred, and the remaining corporation was judgment proof, taxpayers left holding the bag, another element in the scandal.

And that is not all. Let me tell you this is a very lucrative deal for developers. You know what percentage interest we pay on our home mortgage; what is it 9 percent, 10, 12? You know what they pay to build these buildings at taxpayer expense? One percent mortgages. What a deal. And then we give them a wonderful tax credit to boot.

So these developers have a cash cow to build buildings where they are not needed and, when they default on them, to leave Uncle Sam and the taxpayers holding the bag.

We verified this State after State, all across the Nation, presented it to the Committee on Banking and Financial Services and to the Subcommittee on Housing and Financial Services and said clean up this mess. At a time when we are cutting spending for education, when we are cutting spending on Medicare, how can we justify wasting millions of dollars on this boondoggle?

Do you know what the Subcommittee on Housing and Financial Services said to the Committee on Appropriations? You are right. You are right. We need to change the law. And they did. And they brought it in. And we passed it with an overwhelming vote. And we were moving in the right direction to clean up the program, provide the housing.

But guess what happens today? Along comes the bill and reauthorizes the old program. This bums out again. They are going to be out there with the developers running taxpayers around the

track with wasteful projects wasting our tax dollars because of this bill.

I say to the gentleman from New York, he was right the first time. The reforms were needed. Why did he surrender? Why did he give up? How can he justify in this day and age with this deficit walking away from reforms? How can he justify asking the taxpayers to hold the bag so that developers would come in and scam us again and again and again? His bill has a notable deficiency here, and I yield to my friend from New York.

Mr. LAZIO of New York. Mr. Speaker, will the gentleman yield?

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

Mr. LAZIO of New York. Mr. Speaker, I appreciate the courtesy of the gentleman.

Let me respond if I can, first, by expressing great sympathy for the gentleman's frustration. Obviously I share the same perspective that he has because I have helped shepherd this legislation to the floor and move it through the House. If we were dealing with only a House-passed version and did not have to deal with the other body, we would have no problem, the reforms would be in place.

Mr. DURBIN. Can I say to my friend from New York thank you, but I do not want your sympathy. I would like to see the reform. I really think at a time when taxpayers are being told that we are going to mind their dollars carefully, that we are doing to tighten the belt here, we are not going to let people rip off things. There is no excuse by saying the Senate does not like our reforms. That is not good enough.

I mean the bottom line is we are going to lose millions of dollars, folks. This is a mini-mini version of a savings and loan scandal where taxpayers end up holding the bag when these properties fail, and this bill allows it to continue.

But I say to my colleagues in the House, for all of the things in the bill, defeat it today because a section 515 scandal will continue. We will see it on "60 Minutes." We will see it on "20/20." We will see it on "Prime Time." And after this speech it is not good enough to say, oh, I did not know it was in there. It is in there, the section 515 scandal is in there, and unless the gentleman from New York [Mr. LAZIO] puts the reforms in place to clean it up taxpayers are going to be left holding the bag.

Vote "no" on this bill.

Mr. LAZIO of New York. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE] who was a wonderful advocate of section 117 and of all seniors throughout the Nation.

Mr. BLUTE. Mr. Speaker, I want to commend the gentleman from Iowa, Chairman LEACH, and the gentleman from New York, Chairman LAZIO, for bringing this important bill before the House, and recognize the work of my distinguished colleagues from Massa-

chusetts, Representatives KENNEDY and FRANK, and say that this is a very good bill that this House should pass today.

I would also like to commend to the House the amendment to this bill that will include provisions of a bill that passed the House, the Senior Citizens Housing Safety and Economic Relief Act, last October under the Corrections Day Calendar by a vote of 415 to nothing.

This legislation seeks to right a serious wrong. Today, senior citizens in America are living in fear, not just because of crime on the streets but because of crime in their own homes. As a result of an act of this House back in the late 1980's, drug and alcohol abusers are permitted to live in housing developments designated for the elderly.

I want to remind the House of some of the testimony that we heard in the committee and some of the things that were said on the floor of this House that are occurring all over our great country.

An elderly woman living in a public housing facility, for example, was shaken down for a \$1,000 loan by a 38-year-old former drug abuser who lived in her complex.

The Committee on Banking and Financial Services heard testimony last year from a senior citizen in my district in Worcester, MA, and she told horrific stories of harassment, theft, and filth and of elderly women petrified to leave their apartments. The unfortunate irony is that this particular building was known among seniors as one of the best in Worcester prior to passage of the housing amendment in 1988 that allowed for the mixing of young drug and alcohol abusers with senior citizens.

Today, the House can speak on this issue again by voting for the House amendment to S. 1494. This amendment will ensure that public housing authorities are given streamlined procedures to designate public housing facilities as "elderly only." In addition, this amendment will provide sufficient authority to evict residents in these facilities who have a pattern of drug and alcohol abuse.

Let us face it. There is absolutely no sane reason that former drug addicts should be placed in senior housing, turning the lives of the elderly into living nightmares. In the words of Anneliese Belculfino of Worcester, MA: "I would like for the younger people to have their own building and let the seniors live in peace and without fear for the time they have left."

Let us end the practice which forces seniors to live in fear of young drug abusing neighbors that Uncle Sam forces them to live with. Support this amendment and urge our colleagues in the Senate to do the same so that this will be over once and for all. Let us pass this bill.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the chairman and ranking member, and I plan to vote for this bill.

Mr. Speaker, I am a little puzzled why it is a tribute to the importance of Corrections Day that we are now repassing a bill that passed on Corrections Day. It would seem to me if Corrections Day worked, we would not be repassing the bill we passed on Correction Day. Maybe Corrections Day is the spring training of legislative practice.

I am, however, in favor of much of what is in this bill, not everything, but I am going to vote for it. I particularly want to celebrate the continuation of tradition. One of the provisions in this bill is to give at least \$25 million to Habitat for Humanity, and it is unusual that by name we single out a particular private organization and give them \$25 million. Now they do very good work, and not entirely coincidentally, they do that very good work from headquarters in the State of Georgia.

Now for many years my district was adjacent to that of Speaker Tip O'Neill, and I am very familiar with this practice. You have got an organization that is near the Speaker, they do some good work, and the Speaker decides they should be rewarded with public money, and Tip O'Neill used to do that, and I am glad to see that some traditions continue because Habitat for Humanity under the speakership of our current Speaker from Georgia is being singled out unusually for this money for their land acquisition costs.

I am for it. I voted for it in committee. They were a good organization, and I think it is admirable that the Speaker says you are in my State, you do good work, here is \$25 million. I would hope that some who do not recognize that the public sector has a role to play would understand that they should generalize this. Yes, it is important for public funds to be made available for good purposes, and it should not just be for organizations that happen to be in the State of the Speaker, and so I am glad about that.

Finally, I also wanted to note what my neighbor and previous speaker said, this bill does go further with the separation of housing, elderly and nonelderly, although we did in 1992 pass legislation that began that process, and the city of Fort River in fact yesterday under the 1992 legislation was given approval by the Federal Department of Housing so that 6 elderly units with 6 elderly buildings with 600 units as of now in Fort River under the 1992 act will be allowed that separation.

This bill will make it easier for some other communities to comply with that, and I think it is a useful thing, but there was one particular part of it that is also in this bill that I think is important, and I want to express my sincere appreciation to the chairman for agreeing to it, and I would ask if he would acknowledge this.

□ 1500

One of the problems we have is this. There are some younger people who live with the elderly who are disruptive. I think we would all agree that the great majority of the younger people who are disabled, physically and in other ways disabled, who are put up with the elderly are in fact very decent people who cause no one any problem.

What we have tried to do is to protect the right of the elderly to live by themselves when they wish to do that, without disadvantaging the great majority of people with disabilities who are in fact well-behaved. I think we are all unanimous on this.

One of the things that is in this bill is a provision that authorizes funds to be appropriated, such sums as might be necessary, so if a housing authority which has decided to separate the elderly from the disabled finds that in consequence it has well behaved disabled people who are hurting for housing, it will be able to set section 8 funds to accommodate them.

I appreciate the gentleman putting this in. This will become law now, but we will need some help with the Committee on Appropriations. I hope the chairman, along with the work he has already done—I know he intends to work to see that the appropriations are made available if they are needed.

Mr. LAZIO of New York. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I appreciate very much the gentleman's advocacy and his work on this issue. He correctly reflects the position, in a bipartisan way, of the committee. It is not our intention to leave younger people who need assistance, who have disabilities, without recourse. We want to provide resources for them.

It is through his work that the committee authorizes such sums as may be needed, and we will work with the appropriators. I understand this will essentially be resolved, but we will continue to be advocates.

Mr. Speaker, I yield 1½ minutes to the gentleman from Illinois [Mr. WELLER].

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

First, I want to lead off by commending the chairman of the committee, the gentleman from New York [Mr. LAZIO] for his leading in housing issues this year, and particularly my friend, the gentleman from Massachusetts [Mr. BLUTE] for his work on this issue that is very important to seniors in my home State of Illinois.

Mr. Speaker, let us keep this issue real simple. This bill, as it is amended, rights a wrong, that jeopardizes the safety of my constituents, seniors living in senior housing. Today HUD bureaucrats say my seniors must live alongside recovering drug addicts and alcoholics, a situation that has forced many seniors to live in fear. In fact, according to testimony from seniors living in my district in the Chicago housing authority and other public housing

authorities in Joliet, Will, Grundy, Kankakee, and LaSalle Counties, many seniors have been victims of rape, physical assault, and other violent crimes. Many fear daily for their safety.

According to many of the news articles that many of have been sharing in this debate, and for the RECORD, I will be including one from the Boston Herald which points out that many seniors are even afraid to leave their apartments just to go to the store; for everyday activities, such as going shopping.

S. 1494, as amended, incorporates language from H.R. 117, a bill I am proud to cosponsor with the gentleman from Massachusetts, [Mr. BLUTE], and was previously passed by the House last fall. S. 1494, as amended, rights this wrong and lets local housing authorities keep senior housing for seniors. This is an authority they have asked for. I urge an aye vote. Let us keep senior housing for seniors and keep seniors safe in public housing by passing this legislation. I ask for an aye vote.

I include for the RECORD this news article to which I referred.

The article is as follows:

RAPE VICTIM SUES BHA—SAYS ATTACKER SHOULD HAVE BEEN EVICTED

(By Joseph Mallia)

A 92-year-old woman who was raped in her elderly-housing apartment two years ago is suing the Boston Housing Authority for failing to protect her from her assailant, another resident with a history of violence.

The housing authority is responsible because officials knew the assailant, Eric Lee Davis, Jr., was dangerous but failed to evict him, the women maintains in her Suffolk Superior Court civil suit.

The woman's name was not made public because she was the victim of a sexual crime.

"The elderly have been asking for help for years. But the only time the BHA or other agencies take notice is when a lawsuit is filed," said the victim's lawyer, Jeffrey A. Newman. "This was a man who would assault them, threaten them, walk around without clothes—they were absolutely responsible to evict him."

The attack "severely psychologically damaged" the victim the lawyer said. "She has essentially lost her independence. She's untrusting and fearful."

BHA officials could not be reached for comment last night.

Davis, who is 6-foot 3-inches and weighs 190 pounds, was found unfit to stand trial and was committed to Bridgewater State Hospital, Newman said. After he was charged, Davis gave police a tape-recorded confession, authorities said.

Davis, who was 38 at the time of the attack, had faced a previous attempted rape charge in a 1986 assault on a 66-year-old woman, law enforcement sources said. That charge was dropped and Davis instead was civilly committed to Bridgewater State Hospital for treatment, and later released.

Federal law allows disabled and handicapped persons to live in the Dorchester complex at 784 Washington St. which was designed for the elderly. And elderly tenants of public housing across the country face similar dangers, Newman said.

For a year before the rape, Davis "had harassed various tenants; had threatened them; had demanded money and food from them; had made a practice of roaming the hallways causing various tenants to be afraid to walk

the hallways unaccompanied," according to court documentation.

Davis also "roamed the halls semi-naked; loudly expressed threats and desires to kill various people and to rape various people, including tenants and his own mother; he grabbed various tenants including the rape victims," the lawsuit claims.

He also forcibly kisses the victim, and forced his way into elderly tenant apartments, the lawyer says.

The lawsuit accuses the BHA and its officials with "deliberate indifference to a known danger . . . the dangerous activities and proclivities of Eric L. Davis."

Mr. KENNEDY of Massachusetts. Mr. Speaker, JOSEPH PATRICK KENNEDY now yields 2 minutes to the gentleman from Rhode Island, PATRICK JOSEPH KENNEDY.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I thank my cousin for yielding me this time.

Mr. Speaker, I rise in support of this bill on two grounds; first, because it provides our senior citizens with the relief from their fears of being put into senior housing alongside drug dealers, as has been talked about by my colleagues already. In addition, I support not only those provisions, but those that would expedite the eviction proceedings for those who are a threat to senior citizens in their senior housing. That is something for which I applaud those who have supported this legislation today, for putting that into this legislation.

I would also like to support the home equity conversion mortgage program, which is also contained within this bill. This makes senior citizens free from the fear of economic insecurity, not only their physical insecurity. In Rhode Island this program has been of special interest to us, because we rank among the top five participants in the Nation in terms of our utilization of this home mortgage conversion program.

In Rhode Island, this is particularly well suited, because 62 percent of older Rhode Islanders own their own homes, and the typical conversion participant in Rhode Island is a 72-year-old person with an annual income of \$13,000. Obviously, we all understand that this is not enough for them to make ends meet, and what they will be able to do under the home conversion mortgage program is convert their assets in their home to provide them with those additional resources that they need to pay for the food on their table, for the high cost of their prescription drugs which they are trying to pay for, and a host of other expenses that our senior citizens are living with, not to mention the additional expenses they are going to have to pay if the Republicans get away with cutting Medicare \$270 billion and adding to the copay of our senior citizens through turning over our Medicare Program to a managed care program, which the new leadership wants to do. But that aside, let me say, Mr. Speaker, that on this bill, I support the leadership's attempts to address both the economic and physical concerns of our elderly.

Mr. LAZIO of New York. Mr. Speaker, I yield 1 minute to the gentleman from Delaware [Mr. CASTLE], former Governor of Delaware and distinguished member of the Committee on Banking and Financial Services.

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

Mr. Speaker, I would like to thank Chairman LAZIO for the opportunity to speak on this legislation, and for his efforts to reform Federal housing programs. I rise in support of S. 1494, the Housing Program Extension Act, with the House amendments this bill will extend a number of necessary housing programs for this fiscal year.

In particular, I support the inclusion of H.R. 117, the Senior Housing Safety Act in this bill, to protect the elderly in public housing from young people with a drug or alcohol problem.

As we all know, HUD is sorely in need of restructuring. The bill before us today is a temporary step to keep programs operating for this year. It is critical that we take the next step and completely reform public housing programs. Last November, the House Banking Committee passed H.R. 2406, the U.S. Housing Act. This bill will fundamentally reform, restructure, and streamline Federal housing programs to provide greater flexibility to local housing officials and start the process of giving tenants the opportunity to move out of public housing as soon as they are able.

Mr. Speaker, I support this short-term authorization bill, but I urge the House to take up fundamental housing reform, H.R. 2406, as soon as possible. We owe it to the residents of public housing and the taxpayers of this country.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield 2 minutes to my friend, the gentlewoman from Texas, SHEILA JACKSON-LEE.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the ranking member for his leadership, and I thank the chairman, as well, for really targeting an issue in which many of us are involved. I have just come back from the district work break in Houston, and participated in an initiative by our city to put 25,000 affordable housing units in our core city area. Part of those units will certainly improve and help elderly citizens. It will help families, single parents with children.

But this authorization process and this S. 1494, along with H.R. 117, combined, answers many questions. One, it helps local governments with their community block grants, because these were expired, and now we are going to add to that. Additionally, I have in my community some 9,000 people on the public housing waiting lists, and with project-based section 8 units now being reinstituted, we now have the opportunity to get more housing along those lines.

I think it is important that with the reverse mortgage program, we actually acknowledge that seniors have had a

hard time making ends meet. They are responsible individuals. Why not give them the opportunity to in fact utilize their home equity and to provide for them, to make sure they can make ends meet, and not have this burden, if you will, come to fruition until the loan or the house is sold.

One of the points that I wanted to make with H.R. 117 is to not throw the baby out with the bath water. That, of course, is the concern about physically challenged individuals who need housing, and the fact that it was not the idea of finding housing for physically challenged, it was the misconception of putting those who are suffering from drug and alcohol abuse, adults, mixed in with our senior citizens.

I hope we will have a plan, of course, that we will continue to give local housing authorities the authority and discretion to have elderly families-only housing, to have disabled families-only housing, and as well, mixed family and disabled housing, so that the children are not forgotten. I think, however, this is a good bill. It protects our senior citizens. I just want to ensure that our disabled children and others who are physically challenged, who are not suffering from drug and alcohol addiction as adults and are creating illegal activities, will have a place to live, particularly those who are mentally challenged. That has been raised in my community.

I thank the gentleman.

Mr. LAZIO of New York. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. NEY], a member of the Committee on Banking and Financial Services and a member of the Housing Subcommittee who has truly made his mark.

Mr. NEY. Mr. Speaker, I rise in strong support of the House version of S. 1494, because it reauthorizes five major programs and encourages homeownership and affordable housing development in this country. But also, like the previous speakers on both sides of the aisle, I also want to mention that by bipartisan support in the Committee on Banking and Financial Services, we had a good measure come forth, and that has been talked about by the previous speakers. That is inclusion of the language in the revised version of the bill that would allow public housing agencies and landlords who receive Federal assistance to more easily designate certain dwellings as elderly only, disabled only, or elderly and disabled. I thank the gentleman from New York [Mr. LAZIO] for his perseverance on this issue, and the gentleman from Massachusetts [Mr. BLUTE], of course, for bringing this issue forth.

While there are almost 3,400 public housing developments nationwide, only 10 have been approved by HUD and designated as elderly only. When I served in the State senate, Marty Gould, who is the head of Martins Ferry housing authority in Belmont County, OH, among other directors, had continuously called, because there was always

one view coming out of Washington, some rules and regulations, and the directors really did not know what to do. This clarifies it once and for all, adds good protection for our senior citizens, and is the right thing to do.

Mr. LAZIO of New York. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. HEINEMAN], a distinguished member of the Subcommittee on Housing as well, who has been very helpful to me.

Mr. HEINEMAN. Mr. Speaker, today I rise in strong support of the House amendment to S. 1494, the Housing Opportunity Program Extension Act of 1995. Let me take this opportunity to commend my good friends, Chairman RICK LAZIO and Representative PETER BLUTE for their work crafting this House amendment.

It is critically important that the House pass S. 1494 as amended. This bill incorporates the language of H.R. 117, the Senior Citizens Housing Safety and Economic Relief Act. Here, we have another opportunity to address this issue, and I urge my colleagues to take this opportunity and vote in favor of a bill to help protect senior citizens.

I was proud to be an original cosponsor of H.R. 117. You will recall that H.R. 117 provides protection for our vulnerable senior citizens who live in public housing. There is a crisis across this country, brought about because of misguided housing policies that have allowed drug and alcohol abusers to live side by side with vulnerable senior citizens. The law was intended to provide housing for seniors and the disabled, but drug abusers have figured out how to tell public housing officials that their drug addictions make them disabled, so that they too can claim public housing rights—next door to our most vulnerable elderly Americans.

Mr. Speaker, by now we have all heard the horror stories of senior citizens victimized in their own neighborhoods by drug and alcohol abusers. I urge my colleagues to pass this bipartisan House amendment, so that the senior citizens who live in public housing can be protected from these terrible crimes. Let's get this bill to the President's desk so that he can sign it without delay.

Mr. KENNEDY of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, I want to say that I believe that this bill deserves the support of both sides of the aisle. I think it is important legislation that continues programs that are vitally necessary to preserve the kind of housing dreams that many working families, low-income, and senior citizens of this country are in great need of these days.

There are problems with this bill. There is no reason why the 515 program that the gentleman from Illinois [Mr. DURBIN] spoke so eloquently about should not be reformed. There are deals that get done around here that should be done in the light of day. That one

was not, but I believe that overall, this bill is a positive development, and again, I want to compliment my friend, the gentleman from New York [Mr. LAZIO], for the fine work that he has done on this bill.

□ 1515

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me begin by stating this legislation has moved forward in a way that I think this body can be very proud of, in a bipartisan fashion, with the input of both Republican and Democratic members of the subcommittee and the full committee, with changes that have been made based on good reasoning, with an intent to help those people that need our help the most: The first-time home buyers, the senior who is couch-rich but cash-poor and desperately needs that money to remodel their house, the resources to provide opportunity for first-time homebuyers who otherwise would not be able to fulfill their American dream.

This bill begins a process of reform in a very limited way. Certainly we will be doing more, proposing more as the year goes on. It certainly begins some reforms that are important, the reform of self-help housing, where we are using as little as \$6,000 of Federal dollars, not just to build an apartment unit but to build a whole house through Habitat for Humanity and other self-help housing groups that will not be focusing just on the State of Georgia but in every State in the Nation with an assurance in this legislation there will be geographic diversity based primarily on need. That would be very, very important.

This bill will boost homeownership levels in areas where, particularly in underserved areas, where we need it desperately. It provides shelter to millions of Americans that will need it that would otherwise be vulnerable through expiring contracts, and we will be renewing those contracts and the subsidies through this legislation.

I would also want to comment here, Mr. Speaker, that this bill would not have been possible without the cooperation of the staffs on both sides of the aisle. I want to point out one person in particular, Valerie Baldwin, who has been a very noted member and hard-working member of the subcommittee staff. This will be the last time that she will be on the floor as a member of the staff of this authorizing subcommittee. Our loss is the appropriators' gain, and we hope that that will build a better relationship with the appropriators, frankly, as she moves over there. She has been of indispensable help in drafting this legislation, in advising this chairman and this committee on issues on housing and community opportunity. That should not take away from the other work done by the Democratic and Republican members of the staff and also the Members

themselves who serve on the committee.

This has been a truly collaborative effort. It is an effort that I think will bear fruit. As the gentleman from Massachusetts [Mr. KENNEDY] remarked, we wish we would have gotten the last reforms in there. We will continue to work on those reforms, because they are needed. But we did get significant concessions from the other body. Frankly, we wish we would not have to fight as hard as we do to get these reforms. We will keep at it, I say to the gentleman from Massachusetts, with your help and with the members of the other committee, until we get these reforms.

Mr. Speaker, I yield 1 minute to my friend, the gentleman from Nebraska [Mr. BEREUTER], the chairman of the Subcommittee on International Relations.

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

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from New York, the subcommittee chairman, for yielding me this time. I will be brief in my comments.

I rise in support of the House amendments to S. 1494. Overall, the bill is a very good piece of legislation, and this Member commends the leadership of the gentleman from New York and others on this subcommittee.

I want to endorse specifically section 5 of the House amendments. This section authorizes a program which this Member sought for years, the Rural Rental Multifamily Housing Loan Guarantee Program. As a matter of fact, we already have conditional appropriations for this legislation. We have been waiting since the previous Congress when the Senate failed to act upon our legislation in order to have the authorizing legislation, but unless we pass this amendment to create what is, in effect, a new section 515 loan guarantee program, that appropriation will lapse.

It is modeled after the 502 program for single-family housing. It is a very efficient use of our resources. Rather than relying on direct loans, we are relying on loan guarantees.

The default rate of the previous program has been 2.33, an amazing success, having built 24,000 units. I urge support for the House amendments.

Mr. Speaker, despite a conflict which requires this Member to chair a Housing and Community Opportunity Subcommittee hearing on Indian housing, this Member rises today to offer his strong support for the House amendment to S. 1494—the Housing Opportunity Program Extension Act of 1995. Overall, the bill is very good legislation and this Member commends the committee for their hard work. Today, this Member rises to speak specifically to section 5 of the House amendment. This section authorizes a program which this Member has sought for years: the Rural Rental Multifamily Housing Loan Guarantee Program.

Section 5 of this measure is identical to legislation passed by the House in the 103d Con-

gress as part of H.R. 3838, the Housing and Community Development Act of 1994, passed July 22, 1994. This legislation would create a new Federal loan guarantee program for the construction of multifamily rental housing units. Because H.R. 3838 died when the Senate failed to act on it in the last hours of the 103d Congress, this Member reintroduced legislation to authorize the loan guarantee program.

Currently, the only Federal program allowing development of this type of housing is the Rural Housing and Community Development Service's Section 515 Program, a direct loan program which has, unfortunately, been plagued with problems. Because of these problems and because Federal funds become more scarce every year, the direct loan program is almost certain to shrink. Therefore, there is a need for a new approach that would cost taxpayers less but still provide equal or greater housing opportunity in rural areas. The new program would be known as the Section 515 Loan Guarantee Program.

At this point this Member is not advocating replacing the existing program, but only augment it, at a lower cost, in order to provide at least some more rental housing opportunities needed by a sizable segment of America's population living in smaller communities. The new program will provide a Federal guarantee on loans made to eligible persons by private lenders. Developers will bring 10 percent of the cost of the project to the table, and private lenders will make loans for the balance. The lenders will be given a 100-percent Federal guarantee on the loans they make. Unlike the current 515 program, where the full costs are borne by the Federal Government, the only costs to the Federal Government under the 538 guarantee program will be for administrative costs and potential defaults. It should be noted that this program is based on the recent experience with the very successful FmHA 502 Middle Income Loan Guarantee Program for home ownership. That program, which this Member first proposed, has a default rate of only 2.33 percent with over 24,000 units financed since 1991.

Also, Mr. Speaker, you should note that, with bipartisan support on the Appropriations Committee, this Member was successful in advocating the inclusion of \$1 million funding for this program in the Department of Agriculture appropriation for fiscal 1996, making it possible to finance approximately \$25 million in guarantees. Therefore, the program can move forward as soon as it is authorized, but the appropriation will be recaptured if the program is not authorized in fiscal 1996.

In closing, history has proven that loan guarantees are a more cost-effective and expeditious use of scarce Federal dollars. As budgets are slashed, this type of program promises to continue to make Federal assistance available for housing development in America's nonmetropolitan cities.

Mr. Speaker, this Member urges his colleagues to vote "yea" on this measure.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill now under consideration.

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

There was no objection.

Mr. LAZIO of New York. Mr. Speaker, I yield myself such time as I may consume.

I would conclude and again thank Members on both sides of the aisle for their remarkable efforts to move this bill forward.

Mr. GUTIERREZ. Mr. Speaker, I rise today in support of S. 1494 that seeks to authorize a variety of housing programs for fiscal year 1996. Two programs contained in this bill are critical to the well-being and safety of residents and will assure the continuation of decent, affordable housing.

The problems in housing inhabited by both seniors and persons with disabilities are much too serious and dangerous to ignore. I am very glad to see the attention this issue has received. Seniors in my district are frightened and they are angry. HUD and many housing authorities, including the Chicago Housing Authority, have been slow to take this problem seriously.

I believe the bill before the House today will aid housing authorities in evicting those people who pose a serious threat to other residents. As I have indicated since January of last year, the need to address this issue is critical. On January 15, 1995, I wrote to Chairman LAZIO asking that the Housing Subcommittee hold hearings on this issue. Unfortunately, another year passed while many seniors have continued to live in fear.

I believe S. 1494 is a good bill. I believe this legislation will assist housing authorities in the critical area of keeping problem residents out of elderly housing from the start. I commend the will of this House to address this most troubling problem and trust that the final solution will provide seniors and persons with disabilities who reside in public housing with some measure of relief.

In addition, I am pleased to see that S. 1494 includes provisions authorizing the housing preservation program. This program has provided thousands of Chicago's low-income elderly citizens and families with safe, affordable, and quality housing. Although additional reforms may be needed, S. 1494 does include those reforms contained in H.R. 2099, the VA-HUD appropriations bill for 1996.

One important reform measure gives funding priority to tenant and nonprofit purchasers. For many buildings I believe this is a preferable option and will help ensure that the property is retained as affordable housing for the remainder of its useful life. One building in my district, Northwest Tower, will benefit greatly from this provision. HUD is currently reviewing the application of the Northwest Tower Residents Association to purchase the building. This would not only save the building as a valuable affordable housing source, but, after the initial renovation, will significantly decrease the subsidy currently being provided by HUD.

I believe the authorization of these two programs will prove beneficial to those concerned with the provision of safe and affordable housing for low-income tenants. Congress must protect the elderly from those residents who are disruptive and often violent. We also must continue to support the preservation program and the tenants currently residing in these buildings. S. 1494 accomplishes those two objectives. Therefore, I urge my colleagues to support this legislation.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. LAZIO] that the House suspend the rules and pass the Senate bill, S. 1494, as amended.

The question was taken.

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

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

REPORT FROM THE CONGRESSIONAL BUDGET OFFICE ON UNFUNDED FEDERAL MANDATES

CONGRESSIONAL BUDGET OFFICE STATEMENT
SUBMITTED PURSUANT TO SECTION 423(f)(2)
OF THE CONGRESSIONAL BUDGET ACT

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 8, 1996.

Hon. DON YOUNG,
*Chairman, Committee on Resources,
U.S. House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Unfunded Mandates Reform Act of 1995 (Public Law 104-4) took effect on January 1, 1996. The new law requires the Congressional Budget Office (CBO) and Congressional committees to carry out a number of new activities. I am writing to you today to let you know how CBO plans to fulfill its responsibilities under the new law and to provide you with mandate cost statements for those bills under your jurisdiction that were on the House calendar as of January 23, 1996.

New Responsibilities Under the Act. The new law requires CBO to provide a statement to authorizing committees as to whether reported bills contain federal mandates. For legislation that contains identifiable federal mandates, CBO is required to estimate their aggregate direct costs. If those costs are above a specified threshold in the fiscal year that the mandate is first effective or in any of the four following years, CBO must provide an estimate of the costs, if feasible, and the basis of the estimate. The threshold is \$50 million for intergovernmental mandates and \$100 million for private-sector mandates.

Any member may raise a point of order against any reported bill unless the committee has published a CBO statement about mandate costs. A member may also raise a point of order against any bill, amendment, motion, or conference report that would increase the direct costs of federal intergovernmental mandates by more than \$50 million unless the bill provides for funding (either by creating direct spending authority or by authorizing future appropriations), and provides a mechanism for terminating or scaling back mandates if agencies determine that there are not sufficient funds to cover those costs. We have enclosed with this letter a more detailed description of the new law and a brief summary of the new responsibilities assigned to CBO and Congressional committees.

Whenever possible in future cost estimates, CBO will be explicit about whether a bill contains mandates. If we are uncertain, we will say so in the mandate statement and provide as much detail as possible so that

the Congress can decide whether points of order apply to the bill.

In order to have sufficient time to prepare mandate cost statements, we will need to know about potential legislation as early as possible, particularly those bills that might contain mandates. Because it takes time to prepare mandate analyses, we would greatly appreciate receiving early notification about your legislative agenda for the year. It might also be helpful—for both your committee and ourselves—if your staff would contact us early in the process of dealing with legislation that might contain mandates. The CBO staff contacts for your committee are: For intergovernmental mandates: Theresa Gullo (225-3220); and, for private sector mandates: Elliot Schwartz (226-2940).

Bills on the House Calendar. Enclosed with this letter are two lists of the legislation on the calendar as of January 23, 1996, that is under your committee's jurisdiction: one for intergovernmental mandates and one for private-sector mandates. The lists group the legislation into three categories: those that do not contain mandates as defined in Public Law 104-4; those that contain mandates but the direct costs are below the relevant thresholds; and legislation that we need to review further.

We look forward to working with your committee in these new endeavors. Your assistance will be extremely important to us as we strive to provide high quality and timely statements of mandate costs to the Congress. If you have any questions about CBO's new activities or about the enclosed lists, please feel free to contact me or the staff contacts listed above.

Sincerely,

JUNE E. O'NEILL,
Director.

THE UNFUNDED MANDATES REFORM ACT

CBO's New Responsibilities. The Unfunded Mandates Reform Act (Public Law 104-4) requires the Congressional Budget Office (CBO) to provide a statement to authorizing committees about whether reported bills contain federal mandates. If the total direct costs of all mandates in the bill are above a specified threshold in the fiscal year that the mandate is first effective or in any of the four following years, CBO must provide an estimate of those costs, if feasible, and the basis of the estimate. The threshold is \$50 million for intergovernmental mandates and \$100 million for private-sector mandates.

A mandate is defined as any provision in legislation, statute, or regulation that would impose an enforceable duty on state, local, or tribal governments, or the private sector or that would reduce or eliminate the amount of authorization of appropriation for federal financial assistance to cover the costs of existing mandates. Direct costs are defined as amounts that state, local, or tribal governments and the private sector are required to spend to comply with the enforceable duty.

Beyond that, the terms "mandates" and "direct costs" are defined narrowly. For example, the act would not apply to legislation enforcing constitutional rights or enforcing prohibitions against discrimination (for example, the Americans With Disabilities Act). The act would also not apply to conditions of federal assistance or duties arising from participation in a voluntary federal program (unless the program meets specific criteria in the bill).

Direct costs would exclude amounts spent under current laws or programs and would be limited to spending directly resulting from the legislation rather than broad effects on the economy. The amounts that states, localities, and tribes "would be prohibited