

Mr. SHUSTER. Mr. Speaker, I rise in strong support of this bill to designate the "Bill Emerson Memorial Bridge" in honor of our colleague who passed away this past, Saturday June 22.

BILL was a valuable member of the Transportation and Infrastructure Committee who understood the critical role of infrastructure in our society today. So it is particularly appropriate that this replacement bridge in Cape Girardeau, MO—which BILL worked to secure funding for—is to be named in his memory.

Over the many years we served together on the Transportation Committee, I came to appreciate BILL's dedication to our issues. He was a hard worker and a Member you knew you could count on when the chips were down.

BILL always spoke his mind and was not afraid to take a stand on tough issues that he believed in. He remained true to his convictions and yet knew how to compromise in order to achieve his goals.

BILL first came to Washington at the age of 15 when he was appointed a page in the House. After serving as a congressional staffer and in the private sector, he ran for Congress and won the 1980 election. While in the House, he also served on the Agriculture Committee, which was of great importance to his southeastern Missouri district.

The quick action on the part of both the Senate and the House in passing this legislation is a true indication of the respect and admiration we all feel for BILL.

I want to express my sympathies to BILL's family—his wife, Jo Ann, and his daughters, Elizabeth, Abigail, Victoria, and Katharine.

BILL will be missed here in the House. In recognition of his many years of dedicated service, I urge the House to approve this bill to name the "Bill Emerson Memorial Bridge."

Mr. RAHALL. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1903

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

**SECTION 1. DESIGNATION OF BILL EMERSON BRIDGE.**

The bridge, estimated to be completed in the year 2000, that replaces the bridge on highway 74 spanning from East Cape Girardeau, Illinois, to Cape Girardeau, Missouri, shall be known and designated as the "Bill Emerson Memorial Bridge".

**SEC. 2. REFERENCES.**

Any reference in a law, map, regulation, document, paper, or other record of the United States to the bridge referred to in section 1 shall be deemed to be a reference to the "Bill Emerson Memorial Bridge".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

**GENERAL LEAVE**

Mr. PETRI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to

revise and extend their remarks and include extraneous material on S. 1903, the Senate bill just passed.

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

There was no objection.

**REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3675, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997**

Ms. GREENE of Utah, from the Committee on Rules, submitted a privileged report (Rept. No. 104-633) on the resolution (H. Res. 460) providing for consideration of the bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes, which was referred to the House Calendar and ordered to be printed.

**PRIVILEGES OF THE HOUSE—INSTRUCTING COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO IMMEDIATELY TRANSMIT REMAINING CHARGES AGAINST SPEAKER GINGRICH TO OUTSIDE COUNSEL**

Mr. JOHNSTON of Florida. Mr. Speaker, pursuant to rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas the Constitution of the United States places upon the House of Representatives the responsibility to regulate the conduct of its own Members;

Whereas the House has delegated that responsibility, in part, to the Committee on Standards of Official Conduct, which is charged with investigating alleged violations of any law, rule, regulation or other standard of conduct by a Member of the House;

Whereas the Committee on Standards of Official Conduct has failed to discharge that duty with regard to serious allegations of wrongdoing by the Speaker of the House;

Whereas, although an outside counsel has been appointed to investigate the Speaker, the Committee has failed to allow that outside counsel to investigate serious charges concerning the Speaker's political action committee, GOPAC, and its relationship to several tax-exempt organizations;

Whereas a formal complain concerning these charges has been languishing before the Committee for more than six months;

Whereas new evidence of violations of federal tax law—in addition to the information contained in the formal complaint—has also been recently reported by investigative journalists around the country;

Whereas the failure to take action on these matters has raised serious questions about the impartiality of the Committee on Standards of Official Conduct, now, therefore, be it

*Resolved*, That the Committee on Standards of Official Conduct is hereby instructed to immediately transmit the remaining charges against Speaker Gingrich to the outside counsel for his investigation and recommendations.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the

floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time or place designated by the Chair in the legislative schedule within 2 legislative days of its being properly noticed. The Chair will announce that designation at a later time. In the meantime, the form of the resolution proffered by the gentleman from Florida will appear in the RECORD at this point.

The Chair is not at this point making a determination as to whether the resolution constitutes a question of privilege. That determination will be made at the time designated by the Chair for consideration of the resolution.

**GENERAL LEAVE**

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 3666) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes, and that I be permitted to include tables, charts, and other extraneous material.

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

There was no objection.

**DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1997**

The SPEAKER pro tempore. Pursuant to House Resolution 456 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3666.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3666) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES] each will control 30 minutes.

The Chair recognizes the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

As we begin this evening's debate relative to the fiscal year 1997 VA-HUD and independent agencies appropriations bill, I ask my colleagues' indulgence for just a moment so I might offer a few thoughts myself regarding our dear friend, BILL EMERSON. It occurred to both the gentleman from Ohio, LOUIS STOKES, my ranking member, and myself, that BILL EMERSON would very much appreciate the work that has been done by this subcommittee and the fashion in which this bill will be discussed in the House this evening.

Above and beyond all things in the House, BILL EMERSON cared about public policy and solving problems with a spirit of nonpartisanship. Indeed, my colleagues, I can say, as we have gone forward with the work of this subcommittee, that spirit has been alive and well and it is the likes of BILL EMERSON who indeed have created an environment that will hopefully extend itself throughout the rest of this legislative year.

As was evident by the remarks of a number of our colleagues this evening, BILL EMERSON certainly was a man who was loved and respected by both sides of the aisle. He loved the Members on both sides and they loved him. That quality is especially rare in this day and age where partisanship almost for the sake of partisanship too often dominates the scene in our Nation's Capital. BILL EMERSON was first and foremost, as has been said by colleague after colleague, a man of the House.

He began his work here, in 1954, as a page. He was on this floor the day bullets rang out on the House floor, a bullet hole remains in one of these drawers to this very day. Any Member who wishes can come and examine one of BILL's experiences.

Through the years, BILL EMERSON helped to shape the history of this place as Members see the House of Representatives as an esteemed body. Most importantly, he never forgot his roots or the people who elected him overwhelmingly to represent them for 8 terms.

Beyond that, BILL was a Member who recognized that partisanship indeed should have its limits. He could be tough as nails, either within the committee or here on the floor, engaging in debate, defending his point of view, but BILL EMERSON recognized that partnership should always stop either at the committee room door or, indeed, when all of us leave this floor.

That is a lesson we can all learn from. I must say that BILL EMERSON has been one of my best and truest friends in the House, in spite of the struggles that he personally has been facing. Through the good times and these most difficult times, BILL has always been there to offer his heartfelt support. Regardless of his problems, he had time for yours.

Over the years, our families have grown to be very close. It was past 2 a.m. Sunday morning that his daughter Abby called Arlene and I to share the news of his passing with us. To say the least, our hearts and prayers go out to Jo Ann and Abby and the rest of their wonderful family.

Mr. Chairman, it is my hope and wish that as we consider this bill today, we will conduct ourselves in a manner that is worthy of the legacy of BILL EMERSON.

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

Mr. LEWIS of California. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I thank my distinguished chairman of the subcommittee for yielding to me.

Mr. Chairman, I would like to associate my remarks at this time with those of my distinguished chairman. BILL EMERSON was truly one of the finest men I have ever been privileged to serve with in this body. In the words of the gentleman from California [Mr. LEWIS] he was truly the epitome of what bipartisanship represented in a body of this sort.

BILL was the type of person who you knew loved this institution, who was devoted to it and to its Members. He had had a very distinguished career here, having served both as a page and then as a very distinguished legislator in this body.

I recall last week that I saw him on about three different occasions. I recall late one night, when we were working, that he came in in a wheelchair and we came in on the first floor level, and took the elevator up together. And I asked him, I said, Bill, how are you doing? He said, "Oh, I am doing OK." And he said he was on a new type of chemotherapy and taking the radiation. He said, "But I am going to be all right."

And I think it was that type of formidable fortitude that BILL represented. He was always in good spirits, always of a positive demeanor and someone who never gave up.

In the same sense that the gentleman from California has mentioned, the way Mr. EMERSON approached his responsibilities here in a bipartisan basis, I think that is the way we think of him. BILL put the institution first and he devoted himself to policies of the institution and to the people who serve here. Whenever one passed by him, or had a chance to talk with him, he was cheerful. He was someone who you grew to not only like but really respect highly and to love and admire and respect.

So not only has this institution lost one of the finest men to ever serve here, the Nation has indeed encountered a great loss. All of us who served with him in this body will certainly remember him.

I appreciate the gentleman giving us the opportunity to share our thoughts about BILL EMERSON.

Mr. LEWIS of California. I thank my colleague, the gentleman from Ohio, LOU STOKES.

Let me say, Mr. Chairman, that indeed my work with LOUIS STOKES this year on this bill has been a return to a spirit that he and I have experienced for a number of years working together. As we all know, there was a very significant change after the last election; some of us were surprised at it. LOU may have been, but I can tell you that I was too in many a way. Having the privilege to serve as chairman of the subcommittee, I was both excited, but also I found it very difficult, and challenging. In many ways it was a painful process.

Indeed with the revolution came a difficult adjustment that caused all of us in our new roles to look at where we had been. To suggest that last year's appropriations process was comfortable for either Mr. STOKES or myself would be to suggest some kind of fantasy land. It was a painful process, especially for me.

I want Members to know that this year we have been operating in a different environment. LOU STOKES and I have long been very, very close friends and are most pleased to say that we have produced a product that very much reflects the bipartisan spirit that was a part of the life of our colleague who we have all shared thoughts about today.

So, Mr. Chairman, I am very pleased to present H.R. 3666, the VA-HUD independent agencies appropriations bill for the fiscal year 1997. I do not intend to speak very long today because this bill, as it did in the subcommittee and the full committee markup, should draw wide bipartisan support on the floor.

As most of my colleagues know, this is a departure, as I have suggested, from last year's process. But in a different spirit, we bring this bill to you tonight. As it stands, the bill provides \$64.3 billion, that is billion dollars, in discretionary budgetary authority and is \$3.2 billion less than the administration's request for the 20 agencies that fall within the subcommittee's jurisdiction. It is a fair and equitable bill.

This legislation reaffirms our commitment to serving our veterans as they have served us, to protecting the environment, to caring for the poorest of the poor, to ensuring America's future leadership in space. Most importantly, it keeps the appropriations process on track for meeting the objective clearly stated by both the Congress and the administration of balancing the budget by the year 2002.

This is a bill that the President can and should sign. Like last year, we begin the process this year by reviewing every program and every budget from the bottom up. We examine what works and what has not worked in every agency under our responsibility. We asked NASA to begin prioritizing its programs, for example. We began to scrutinize the manner in which the VA is delivering care and services to our veterans. We did all of this and more and have succeeded in identifying

many areas where we could make reductions in the rate of growth of spending, a key ingredient towards balancing the budget shortly after the turn of the century.

Through this long and sometimes difficult process, this subcommittee alone has identified some \$14.8 billion, \$14.8 billion of taxpayers' savings since we began looking at these agencies and the responsibilities and their spending levels stemming back to the year 1995.

It has been well advertised in the press that this subcommittee received a large increase in our 602(b) allocation relative to last year. What has not been well advertised is the fact that our prior year outlays over which we have virtually no control have also been increased some \$1.8 billion between 1996 and 1997. In addition, the Congressional Budget Office has rescored a number of major accounts, particularly VA and EPA, which has resulted in large outlay increases even though budget authority has remained relatively constant.

All of this is to say that we have looked at each program as carefully as possible and are attempting to make slight but meaningful reductions where appropriate while providing as close to the 1996 or budget request levels wherever possible.

With the indulgence of our colleagues, I would like to take just a moment to detail the highlights of this bill. We have provided the full budget request of over \$17 billion for VA medical care. This represents an increase of \$444 million over the 1996 level and is the only substantial increase over the 1996 level in the entire bill. One of our amendments will make some adjustment in that.

We have also provided the budget request of 1996 levels for elderly and disabled housing, housing for people with AIDS, drug elimination grants, public operating subsidies, severely distressed public housing, and virtually every other major program at HUD.

In addition, I will be offering shortly an amendment to restore \$300 million to the Community Development Block Grant Program, bringing CDBG funding to the full budget request level. We have provided \$19 million over the 1996 level for EPA's programs, including increases for science and technology, their programs and management and Superfund. The clean water State revolving fund and the environmental grant programs available to the States and tribal governments are also fully funded.

The space station and the shuttle program under NASA are fully funded. In addition, we are providing \$1.2 billion for the Mission to Planet Earth Program.

Mr. Chairman, this subcommittee has made a concerted effort to refrain from including controversial legislative provisions in spending bills this year. I am sure the chairman will be pleased to hear that.

In this vein, all of my colleagues know of the struggle we went through

regarding language in last year's bill. And they, too, will be pleased to know that there are no environmental legislative provisions which will draw controversy to this bill.

In spite of a number of difficult challenges in putting this measure together, our final product represents a balance of common interests as well as tough choices. Let me repeat for the record: On its merits, this is a bill the President can and should sign.

In closing, I want to commend my ranking member, Mr. STOKES, for his willingness to work closely with me in crafting a bill that we can both support. I want further to thank and commend his very capable staff, particularly Leslie Atkinson and Del Davis, for their work. I also want to recognize my own staff, Frank Cushing, Paul Thompson, Tim Peterson, Valerie Baldwin, Doug Disrud, Jeff Shockey, Alex Heslop, and Dave LesStrang, for their many hours of work in putting this package together.

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Together, the gentleman from Ohio [Mr. STOKES] and I have worked to prepare a balanced bill in the name of comity and in the truest sense of bipartisanship. I must say that our colleagues will find before we are through with this process that we believe, and I am sure our colleagues will agree, that the work of this subcommittee does indeed reflect the best of the spirit of our friend and colleague, BILL EMERSON.

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

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

Mr. Chairman, I rise in support of H.R. 3666, the fiscal year 1997 appropriations bill for the Departments of VA-HUD-independent agencies. The bill being considered in the House today is a far cry from the bill considered last year for the fiscal year 1996. At the outset, I want to express my appreciation to the gentleman from California. [Mr. LEWIS], my friend, the distinguished chairman of the subcommittee, for the good faith efforts and bipartisan spirit in which he approached this year's deliberations. This was central to our ability to work together to produce a bill which each of us can point to and find a basis to support.

One of the major concerns I had with last year's process was the fact that the traditional bipartisan approach to fashioning appropriations bills in the Committee or Appropriations was basically nonexistent. I am pleased to state to the House that at least on this subcommittee, we have brought this bill to the floor as a cooperative bipartisan measure. I also want to express my appreciation to the subcommittee staff, Frank Cushing, Paul Thomson, Tim Peterson, Valerie Baldwin, Bud Dezrine, and Jeff Shockey, for the cooperation they have accorded me and my staff. I also want to express my appreciation to Del Davis and Leslie Atkinson, my staff, for their outstanding work.

Mr. Speaker, as the chairman noted, this is not an easy bill to bring to the floor. It never is. It is a tough bill. There are several areas of this bill which are troublesome, and these are the areas in which the chairman and I are not in agreement. However, the chairman and I are committed to continuing to work together as this bill moves through the entire legislative process.

Now, let me speak to a few of the areas in this bill that I believe are important to highlight. As it relates to veterans, the bill provides the President's request for medical care, and medical and prosthetic research. Additional funds have been granted for the construction of State extended care facilities, and the National Cemetery System receives necessary funds for its operations.

As my colleagues are well aware, over the years no area has caused me greater concern in this bill than that of housing. I feel very strongly about our commitment to these programs, and I considered some areas to be deficient after markup. Among those areas lacking sufficient funding was the Community Development Block Grant Program, and, as the gentleman has already mentioned, we will consider the chairman's amendment which addresses our mutual concern in this area.

Another issue for which I have expressed my concern is the proposal to restructure section 8 contract renewals that are oversubsidized and whose contracts expire in fiscal year 1997. There is no doubt that this issue will be key to how much funding HUD programs receive overall in the future, not to mention all other programs in this bill. After numerous meetings, discussions with the Department and outside groups, and debate at markup, the chairman has decided to withdraw the proposed legislative provision on this issue. We will discuss this action during the debate on amendments.

With regard to housing, there are also the issues of no new section 8 incremental vouchers, and reduced funding for section 202 elderly and section 811 disabled housing.

One main difference in this year's bill is the absence of antienvironmental riders that created contentiousness and, later, floor motions and ultimately a veto of last year's bill. The Environmental Protection Agency [EPA] is funded at 93 percent of the budget request, compared with 67 percent of the request recommended last year.

There are, however, some concerns over the reductions to important administration priorities, like the toxic release inventory, the environmental technological initiative, and climate programs. These troublesome areas hopefully will be changed as the bill moves forward.

Other areas in this bill that are problematic and that the administration deems objectionable are the reductions

To the President's request for the Community Development Financial Institutions Program, NASA's Mission to Plant Earth, and the Corporation for National and Community Service. There is also the elimination of the Office of Consumer Affairs. These are all areas I hope to see improved.

I want to again thank the gentleman from California [Mr. LEWIS] for his leadership on this bill. It is my intention to support the bill.

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

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DeLAY. Mr. Chairman, I thank the gentleman from California [Mr. LEWIS] for yielding this time to me, and I appreciate all the work that he has done and the ranking member has done in bringing this bipartisan bill to the floor. So, I rise in support of the fiscal year 1997 VA-HUD appropriations bill. As is the case each year, the diversity of programs in this bill requires many difficult funding choices, from veterans' medical care, to housing for the elderly, to Superfund, and the exploration of space.

Once again, the chairman and ranking member of this subcommittee have done yeoman's work in crafting a bill that addresses many of the priorities of the American people and of the members of this House.

One of those very important priorities is NASA. NASA is one of the few agencies in this bill where our taxpayer dollars are invested in the future of this country. So, I am very pleased that the space station and the shuttle programs are fully funded. The shuttle program is in the process of transitioning to the private sector under a prime contract structure to the United Space Alliance and eventually to privatization.

The space station is now at a very exciting point; it is just 16 months away from launch of the first element. Undoubtedly, however, we will continue to see misguided attempts to kill or wound this program later as we consider some of the amendments to this bill, but I am confident that these attempts will fail by the same large margins demonstrated by the House on the authorization bill just a few weeks ago because the American people are solidly behind this critical program.

So, Mr. Chairman, this is a good bill, and it deserves the support of the members of this House. I urge my colleagues to join me in approving its passage.

Mr. STOKES. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas [Mr. GONZALES], the ranking minority member of the Committee on Banking and Financial Services.

Mr. GONZALEZ. Mr. Chairman, I rise in qualified support for H.R. 3666 which makes the appropriations for the fiscal year 1997 for VA, HUD, and independent

agencies. I offer qualified support because I continue to be deeply troubled by the severe budgetary limitations on domestic discretionary spending, particularly for the most vulnerable and working families in favor of providing tax cuts for the wealthy. These rigid and mean-spirited limitations sadly find me and many of my colleagues cheering when the housing programs in H.R. 3666 simply hold their own and do not face any deeper cuts than they faced last year.

That is the situation. Thankfully, the circumstances surrounding consideration of the bill today are vastly different from those last year. In a strange twist, I actually commend this bill to my colleagues. It takes a very bad hand dealt from a shorted deck to the Committee on Appropriations and turns it into a winning hand so far. I hope that as the legislative process continues that this bill will improve. I say this because funding for critical housing and community development programs remains level or slightly increased from last year. That includes public housing operating subsidies, severely distressed public housing so that public housing eyesores can be demolished and public housing and neighborhoods revitalized; drug elimination grants, the modernization program, the HOME program, and the CDBG program. However, I must note that modernization, HOME, and CDBG funds have to cover programs that previously had their own line items.

It also provides section 8 assistance to cover families displaced from public and assisted housing and for replacement housing. The bill also provides funding to renew section 8 tenant-based assistance contracts, although for just 1-year terms.

H.R. 3666 is devoid of authorizing language that should be developed by the Banking Committee. Indeed, the chairman of the HUD-VA Appropriations Subcommittee has graciously agreed to strike some 17 pages of legislation that had been reported by the committee on the very complicated issue of section 8 portfolio restructuring because he knows that only the authorizing committee can do this important legislation justice. Only the Banking Committee can balance all the disparate interests of the tenants, the owners, the communities, and the Federal Government in preserving as much affordable housing as possible, reducing the costs to the Federal Government, reasonably protecting the financial investments of the owners, and protecting the tenants from unnecessary displacement.

That having been said, there are, however, I must say, two glaring deficiencies in this bill. For the second year in a row there is absolutely no new money for incremental section 8 housing assistance, even in the face of continued evidence that greater numbers of very low income families and the working poor are finding it ever more difficult to find affordable housing. Some 5.3 million Americans have

"worst case" housing needs, so I find this unconscionable.

The bill also fails to provide sufficient funding for homeless assistance programs. Requests for emergency shelter beds rises each year, but families are turned away because of a lack of resources. Of course, the real answer is providing sufficient funding for affordable housing, permanent housing as well as transitional and supportive housing, which of course this Republican Congress is unwilling to fund.

On balance, however, this bill is about as good as we can get it under our severe and unnecessary budget constraints, and I urge my colleagues to support H.R. 3666.

Mr. LEWIS of California. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. KNOLLENBERG], a member of the committee.

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

Mr. KNOLLENBERG. Mr. Chairman, I rise in strong support of the bill. I also thank the gentleman from California [Mr. LEWIS] for yielding, and I want to begin by commending the gentleman from California for all of his hard work. Shepherding an appropriations bill through this legislative process is not easy, and yet he has done it with diligence and impartiality. I would also like to thank my good friend, the gentleman from Ohio [Mr. STOKES], and his subcommittee staff for all the extraordinary work that they have done on behalf of getting this bill on the floor.

Mr. Chairman, the VA-HUD bill is by its very nature a difficult piece of legislation to move. It is the catchall bill that contains many diverse and competing priorities within its jurisdiction. Its provisions lend themselves more to rumbling acceptance than to enthusiastic support. Some Members will think this bill spends too much, others too little. But I believe that this bill is right on target and was forged in a bipartisan fashion. The bill reflects fiscal realities, but it also leaves room for necessary expansion.

In discretionary spending the bill provides \$64.4 billion in budget authority and \$78.8 billion in outlays.

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Those who would succumb to complaining about what is not in the bill should think about what is in the bill. For the most part, the bill fully funds the President's request in the areas of health, housing, and education. In fact, roughly \$38.8 billion will go to the Department of Veterans Affairs. We can all agree that taking care of our Nation's veterans and their dependents should be our No. 1 priority, and this budget demonstrates our commitment to this end.

During the process of forging the bill, housing has prompted a great deal of heated debate. But I believe that the chairman, the gentleman from California [Mr. LEWIS], again has done his

level best to resolve this matter within the ever present fiscal constraints that face the entire subcommittee and Congress as a whole.

While we all have strong opinions about a number of programs, let us not let a heated discussion about this or that program keep us from the business at hand. Instead, let us all agree to maintain the civility that has marked the shaping of this bill, and vote on a good and fair bill.

Mr. STOKES. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from California [Mr. BROWN], the ranking member of the Committee on Science.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding me this time.

I wanted to take just a minute or two, Mr. Chairman, to make a few comments about the impact of this bill on our Nation's investment in research and development. As we all know, the funding for NASA, NSF, and EPA research within this bill represents a third or more of all the civilian R&D that this Government funds. In general, I want to say that I am satisfied with the balance this bill has struck for the competing priorities which the appropriators have had to deal with. Overall for NASA, NSF, and EPA research, the bill provides \$17.4 billion, about \$300 million below the request level, which in these times I would consider to be reasonable.

Although the continuing decline in Federal support for R&D is a matter of great concern to me, as it should be to all Members, I am very cognizant that this subcommittee had to deal with a very restrictive allocation. I hope that in the coming year, both sides of the aisle and the White House can come to grips with how we can reverse the spiraling decline in our Nation's R&D development and better use our Federal dollars to stimulate economic growth and productivity in the future.

In fact, there is in my opinion an inadequate understanding in the House, which I have been unable to change, as to the importance of these investments in the future ability of our country to compete in world markets. I think most of us can agree as to the value of research and development in the abstract, but we must actually find a way to accomplish this in the budget process. There are several specific areas that I would like to call attention to in the bill and in the report. First, this bill provides, for the first time, much needed funding for the U.S.-Mexico Foundation.

This is a program authorized some years ago, yet it is only now receiving the funding which was intended. There are many other notable provisions of this bill that certainly deserve recognition.

Despite my overall satisfaction with the bill, I am disturbed over the major reduction to NASA's Mission to Planet Earth Program and

the elimination of EPA's environmental technology initiative. I am hopeful that the conference version of this bill will treat these programs more favorably.

Finally, I want to restate my opposition to the practice of unauthorized academic earmarking which I believe subverts the peer review process and erodes the buying power of our science agencies. Unfortunately, we are seeing a resurgence in this practice this session of Congress. I plan on offering an amendment at the conclusion of consideration of this bill which will eliminate one such earmark in NASA for the Museum of Natural History in New York.

I bear no hostility towards this fine institution nor the concept of providing Federal dollars to science educational initiatives. Indeed I am reintroducing legislation that would make this a fair and equitable process and allow it to operate within the guidelines of the Federal procurement process. In this case, however, this project was not requested, it was not authorized, it has not been peer reviewed, it will not go through the competitive award process, and it bears no relationship to the NASA mission. It is also a sizeable sum which I believe can be better used for other more legitimate purposes. I hope my amendment receives the support of my colleagues.

Once again, I want to commend the chairman, the ranking member, and the members of the Subcommittee for their work on this bill.

Mr. LEWIS of California. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN], a very diligent and loyal member of our subcommittee.

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

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman for yielding time to me, and I rise in support of the bill.

Mr. Chairman, I want to thank the gentleman from California [Mr. LEWIS], the chairman of the committee, the ranking member, the gentleman from Ohio [Mr. STOKES], and the subcommittee staff for their leadership and guidance. Our bill contains funding for many vital programs for our Nation's veterans to protect and preserve our environment, to help house the needy and disabled, and for scientific research and discovery. It has been a difficult task balancing all the national priorities contained in this bill. However, I believe we have achieved this goal, and I am proud to support the final agreement.

In total, our bill provides over \$848 billion for the Department of Veterans Affairs, Housing and Urban Development, and 17 independent agencies and offices. Specifically, the bill provides funding for two very important programs that I am very pleased to support and that I have actively worked on throughout the hearing process: first, the Superfund Program; and second, the program dealing with housing for people with disabilities.

This bill dedicates \$1.3 billion for the Superfund Program. All of us know, especially those of us from New Jersey, how important this program is. For the

second time in the 104th Congress, this committee has earmarked the most money ever for remediation, over \$900 million. This money will go a long way towards our commitment to clean up these priority sites, and should be adequate funding to move the sites through to completion. The time has come to reauthorize this program and move the process forward. This bill allows this to happen.

In addition, Mr. Chairman, this bill recognizes the importance of providing housing for people with disabilities. The committee has, for the first time, earmarked \$50 million for tenant-based rental assistance to ensure that there is decent, safe, and affordable housing in the community for low-income people with disabilities. Access to housing in the community is the cornerstone for independence, integration, and productivity for people with disabilities, the three hallmarks of the philosophy of the disability community. This bill strongly supports these principles, and I believe these extra dollars will empower the community and help them achieve their goal of living with dignity and independence.

Mr. chairman, I am proud, as a member of this committee, of the work of this committee and I am pleased with the final product. I urge all my colleagues to support it.

Mr. STOKES. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Texas [Mr. EDWARDS], the ranking member of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs.

Mr. EDWARDS. Mr. Chairman, I would first like to commend the chairman of the committee, the gentleman from California, Mr. LEWIS, and the ranking member, the gentleman from Ohio, Mr. STOKES, for carrying on the spirit of decency and civility from the life and spirit of BILL EMERSON, whom we honored just a few moments ago on the floor of this House.

Mr. Chairman, I rise in support of this bipartisan legislation, and I also want to pay special note to my support of the Hefner amendment, which will be discussed in a few moments, dealing with the Office of the Secretary of Veterans Affairs. A number of major veterans service organizations have endorsed this amendment, and that is one reason why I hope it will pass on a bipartisan basis. Without this amendment, this bill, in my opinion, would micromanage the Office of the Secretary of Veterans Affairs.

This amendment, the Hefner amendment, simply lets the VA Secretary manage his own office in a responsible manner within his given budget. I believe Secretary Jesse Brown has earned that right. He is a combat-wounded veteran, a marine who has served his Nation with honor and dignity. In time of war he put his life on the line for his country. In time of peace he has served our Nation's veterans.

I understand that some Members of Congress, and I respect this, feel that

Secretary Brown has sometimes been too strong or perhaps too partisan in his advocacy for veterans. Personally, I believe Secretary Brown has been an outstanding leader and voice on behalf of veterans, but I believe the Secretary would be the first to say that he fought in combat to defend our right to debate his service. Mr. Speaker, I believe that debate should occur in the Presidential campaign of 1996 and not in the management of the VA Secretary's office, and in a way that, intentionally or not, could hurt our Nation's veterans.

I would like to include for the RECORD letters from a number of the veterans service organizations supporting the Hefner amendment, including letters from the VFW, the Disabled American Veterans, letters from the Paralyzed Veterans of America, and the Vietnam Veterans of America.

The material referred to is as follows:

VETERANS OF FOREIGN WARS,  
THE EXECUTIVE DIRECTOR,  
Washington Office, June 24, 1996.

Hon. BILL HEFNER,  
U.S. House of Representatives,  
Washington, DC.

DEAR CONGRESSMAN HEFNER: On behalf of the more than two million members of the Veterans of Foreign Wars of the United States, I wish to thank you for offering an amendment to the Department of Veterans Affairs' FY '97 Appropriations, which will bring the funding level for the "Office of the Secretary" to that of the Administration's request.

The language to the FY '97 appropriations bill limits salary and travel costs for the Office of the Secretary—at the FY '96 restricted levels of \$50,000 for travel and \$3.026 million for personal compensation. These restrictions have placed an unprecedented burden on the Secretary's office. The personnel ceiling does not permit the Centers for Women Veterans and Minority Veterans to fill critical vacant positions. Reducing the travel budget by two-thirds would undermine the Secretary's ability to manage and lead the second largest department in the government.

Also, as an advocate for veterans, the Secretary would be unable to attend activities and events associated with medical centers, regional offices, and veterans service organizations, which ultimately impacts on employees, veterans and their families. In addition, the Deputy Secretary, VA's Chief Operations Officer, is also affected by these travel cuts limiting his ability to carry out his oversight responsibilities. Six mandated advisory committee meetings totaling \$158,000 in travel funds cannot be scheduled under this restriction.

Again, the VFW thanks you for offering this crucial amendment.

Sincerely,

JAMES R. CURRIEO,  
Executive Director.

DISABLED AMERICAN VETERANS,  
Washington, DC, June 24, 1996.

Hon. W.G. (BILL) HEFNER,  
House of Representatives  
Washington, DC.

DEAR CONGRESSMAN HEFNER: The Disabled American Veterans strongly supports your efforts to amend the fiscal year 1997 appropriations bill for VA, HUD and Independent Agencies to strike out travel restrictions the bill would impose on the Secretary of Veterans Affairs.

Presumably, these travel restrictions were placed on Secretary Brown because of his

outspoken opposition to the Republican balanced budget plan which he characterized as devastating for the VA health care system. More recently, Secretary Brown likewise characterized the Administration's balanced budget proposal as devastating for VA's health care system. Obviously, Secretary Brown's singular purpose is that of advocacy for our Nation's veterans, and such advocacy is bipartisan in nature.

These travel restrictions severely hamper Secretary Brown's ability to execute his duty to oversee VA's nationwide operations. In addition to the Secretary's inability to attend many veterans' service organizations' National Conventions, because of these cuts, activities of the Center for Minority Affairs and the Center for Women Veterans have also been significantly curtailed.

Naturally, this Nation's veterans are very concerned when members of Congress attempt to squelch the voice of those who speak for veterans' interests.

The DAV has prepared a draft letter to be sent to the Republican leadership in the House and Senate expressing objections to this ill-advised action. This letter has been provided to the other Congressionally chartered veterans' organizations along with a request that they join the DAV as signatories.

The DAV sincerely appreciates your efforts to correct this injustice against Secretary Brown and America's veterans. Please feel free to share this letter with your colleagues.

Sincerely,

THOMAS A. MCMASTERS III,  
National Commander.

PARALYZED VETERANS OF AMERICA,  
Washington, DC, June 24, 1996.

Hon. W. G. (BILL) HEFNER,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE HEFNER: On behalf of the members of the Paralyzed Veterans of America (PVA), I strongly support your amendment to H.R. 3666, the Fiscal Year 1997 VA, HUD, Independent Agencies Appropriations bill which will provide that the Secretary of Veterans Affairs expend travel funds beyond the arbitrary limit, \$50,000, established for fiscal year 1996.

It is essential that the VA Secretary have the ability to travel throughout the VA system, beyond an imposed cap but within the limits of appropriated funds, if the Secretary is to ensure that the VA is addressing the needs of veterans. Regardless of the rationale for the current cap, it is incumbent that the head of a system comprised of 171 hospitals, hundreds of outpatient clinics, a nation-wide system of benefits offices and cemeteries, and over 220,000 employees is not restricted from personal contact and oversight of operations.

Again, on behalf of the members of PVA and all veterans, I commend your efforts to amended H.R. 3666 and encourage all members of the House of Representatives to support your actions to afford the Secretary of Veterans Affairs adequate access to funding for travel to ensure that the operations of the VA and the needs of veterans are adequately addressed.

Sincerely,

GORDON H. MANSFIELD,  
Executive Director.

VIETNAM VETERANS OF AMERICA, INC.,  
Washington, DC, June 24, 1996.

Hon. BILL HEFNER,  
House of Representatives,  
Washington, DC.

DEAR REPRESENTATIVE HEFNER: On behalf of Vietnam Veterans of America, I commend you for your initiative in proposing an amendment to the FY 1997 VA, HUD and

Independent Agencies Appropriation bill to eliminate the limit on the Secretary of Veterans Affairs' travel. VVA shares your concern for the programmatic effects this restriction poses.

As the primary advocate for the establishment of the VA Center for Minority Veterans and the Center for Women Veterans, VVA has serious concerns about the restriction of the Secretary of Veterans Affairs' travel. Travel activities for these Centers falls under the Secretary of Veterans travel account. The current bill/report language will have the unfortunate effect of debilitating these programmatic activities. Both offices aim to direct policy and outreach efforts to their respective unique, under served veterans communities. VVA is very concerned that the hard-fought efforts to create these offices will be fruitless if there is insufficient funding.

Additionally, the VA Advisory Committees on Minority Veterans and Women Veterans also require funds from the Secretary's travel accounts in order to meet and do business. These consumer panels were established by Congress to advise the Department on policy matters. Unless the language restricting the Secretary of Veterans Affairs' travel is stricken, these committees will likely be unable to meet their statutory reporting obligations.

VVA supports your amendment, Representative Hefner, and would further advocate that additional funds be allocated to the VA General Operating Expense (GOE) accounts. Without additional funding, the Secretary of Veterans Affairs will continue to face these travel restrictions—not by law, but by lack of funding. Eliminating the restrictive language will provide additional flexibility, but may force the Secretary to make difficult choices, such as cutting funding for the aforementioned programs or cutting Veterans Benefits Administration (VBA) staffing which would result in an increase in the already unconscionable claims backlog.

Thank you again for your efforts to improve services to our nation's 27 million veterans.

Sincerely,

KELLI WILLARD WEST,  
Director of Government Relations.

In conclusion, Mr. Chairman, I hope this amendment will be supported on a bipartisan basis. I want to thank the chairman of the committee for his leadership on this legislation, for his support for veterans, and for his consideration of the Hefner amendment.

Mr. STOKES. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Massachusetts [Mr. KENNEDY], the distinguished ranking member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services, one of the leading voices and leaders in the field of housing.

Mr. KENNEDY of Massachusetts. Mr. Chairman, first of all let me thank my good friend, the gentleman from Ohio [Mr. STOKES], for his kind words. I also want to pay tribute to my friend, the gentleman from California [Mr. LEWIS], the chairman of the committee, for their attempts to try to fashion a compromise on this very, very tough piece of legislation.

I also want to take a brief moment to acknowledge the tremendous contributions, as the gentleman from Georgia, Mr. LEWIS, did to BILL EMERSON, who

was an individual I, as well as many other people in this Chamber, thought the world of. He obviously told me, and even in his most recent days, talked about the fact that some of the care he got came from some of the doctors that took care of members of my family, and he shared that with me and other members of our family. He was just one of the finest and most caring individuals that I think we have all had the pleasure of serving with, and we will all very, very much miss him. I wish the best to his wife and to all of his family.

I think BILL would also understand the fact that there are still going to be differences and divisions, and as a fighter, BILL EMERSON was second to none. We have to continue the fights that are going to be taking place in this country, particularly I think as a result of some of the things that go on in this bill.

I do commend both the chairman of the committee, the gentleman from California [Mr. LEWIS], and the ranking member, the gentleman from Ohio [Mr. STOKES], for their efforts to deal with a very, very bad situation. The situation is very clear. In this legislation we see the HUD budget cut by over \$2 billion, the VA budget cut by over \$40 million, the EPA cut by \$500 million, the science portion by \$72 million, and the CDFI Community Development Financial Institutions, by over \$80 million.

The long and short of it is that both sides of the aisle have done a good job at trying to deal with an impossible situation. The truth is that if we look at what this bill does to housing, it debastates housing. It devastates a budget that was cut by over \$8 billion last year cut an additional \$2 billion this year. We essentially are saying to the poor, whose numbers are growing, by every single major study that has been done, whose housing needs are critical, we no longer are providing shelters to some of the most vulnerable people in this society. The number of homeless people are rising. Yet this bill cuts the funding for homeless programs.

This is a crazy situation. We cannot sit here and pump \$13 billion more into the defense bill than the Joint Chiefs even request and then come to the chairman of the committee and the gentleman from Ohio and ask them to deal with a budget that just simply does not have enough money in it.

People say, well, you are against the space station or against FEMA, because they are the only funds left to take any money out of to support housing programs. I am not against the space station. I am not against FEMA, and I am sure the two gentleman are not, either, but the truth of the matter is that there is just simply not enough money to get the job done to look after the housing needs of the most vulnerable Americans.

Mr. STOKES. Mr. Chairman, I am pleased to yield 1 minute to my distinguished colleague, the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I rise to thank Chairman LEWIS and the ranking member, the gentleman from Ohio, Mr. STOKES, and the gentlewoman from Ohio, MARCY KAPTUR, on the Committee on Appropriations, and most importantly, the 600,000 veterans and their families in northeastern Ohio for their support for a new veterans cemetery in Guilford Township, Medina County, OH.

Ohio has only one national cemetery. It is located in Dayton, in southwestern Ohio, over 200 miles from the 600,000 veterans who live in northern Ohio. The Dayton cemetery is expected to reach its 35,000 gravesite capacity in less than 2 years. Once filled, Ohio will be without an active national cemetery. These veterans and their families will be faced with a choice of cemeteries in Pennsylvania, Indiana, or Michigan, all places too far to visit the gravesites of loved ones.

The veterans of northeastern Ohio who braved fire on the beaches of Normandy and the jungles of Vietnam risked everything so our children and grandchildren could live free. By providing the necessary funds to begin the work on this cemetery, we can offer a small down payment on the tremendous debt we owe these people.

Again, special thanks to the chairman of the committee, the gentleman from California [Mr. LEWIS], and the ranking member, the gentleman from Ohio [Mr. STOKES], for their support of this cemetery.

Mr. STOKES. Mr. Chairman, I am pleased to yield 3 minutes to the distinguished gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Chairman, I thank the ranking member, the gentleman from Ohio [Mr. STOKES], for yielding time to me.

Mr. Chairman, I would like to engage in a colloquy with the gentleman from Ohio [Mr. LEWIS], chairman of the committee. First of all, I want to thank both the chairman and the ranking member, the gentleman from Ohio, for including language in the committee report highlighting the situation that exists in my district in the D.J. Jacobetti home for veterans located in Marquette, MI.

As Members know, I testified before the chairman's subcommittee last month on a serious situation at the Jacobetti Center due to the antiquated and undependable boiler and heating systems. Over the past few winters veterans residing at the Jacobetti home have had to be moved from their rooms because the temperature in their rooms would often drop to as low as 40 degrees. It is almost ironic that the same veterans who nearly froze during World War II will now be virtually frozen out of their rooms at a veterans' home. This is no way to treat our country's veterans. With outside temperatures in my district which can drop as low as 30 degrees to 40 degrees below zero during winter in the Upper Peninsula in Michigan, and snow levels at times ex-

ceeding 300 inches of snow in a season, I thank our colleagues and I thank them for understanding the need to make these badly needed repairs at the Jacobetti State Veterans Home a priority project.

□ 1845

Clearly, such situations occurring year after year present a serious problem when it comes to the health and safety of veterans who reside at this home.

I am pleased that funding for this fiscal year 1997 calls on the Department of Veterans Affairs to place projects involving health and safety concerns on a higher priority. This change in priority is the right thing to do for countless numbers of veterans.

I am also pleased with the level of funding being provided, over \$47 million, which is equal to the funding provided in fiscal year 1996 for State extended home care construction.

I would say to the gentleman from California [Mr. LEWIS] that I seek the support of his panel in working with Secretary Jesse Brown and the authorizing committee in assuring that the VA's review of State extended medical care facilities follow through on the mandate contained in this funding measure.

I am asking for or the support of the chairman of the subcommittee, the gentleman from California [Mr. LEWIS], and the gentleman from Ohio [Mr. STOKES], the ranking member, in working with Secretary Brown and the authorizing committee to assure that the VA's follow through on this.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, first, let me say to the gentleman that I very much appreciate his concern as well as his support for the work that we are trying to do in this committee. I will certainly be glad to work with the gentleman regarding this matter.

I appreciate the gentleman's commitment. I want the gentleman to know that I also want to extend my thanks beyond his effort to his colleagues, the gentleman from Ohio [Mr. STOKES], of course, and the gentleman from Michigan [Mr. KNOLLENBERG], for their assistance on this important matter for veterans in the State of Michigan. We appreciate the participation and help of the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Chairman, I thank the gentleman from California [Mr. LEWIS].

Mr. STOKES. Mr. Chairman, I am pleased to yield 3 minutes to the gentlewoman from Ohio [Ms. KAPTUR], the very distinguished and hard-working member of the Subcommittee on VA, HUD and Independent Agencies.

(Ms. KAPTUR asked and was given permission to revise and extend her remarks.)

Ms. KAPTUR. Mr. Chairman, I wish to thank the dean of the Ohio delegation and the ranking member on the subcommittee for yielding me this time. I want to acknowledge his diligence and wise counsel during consideration of the entire measure, and I would also like to commend the distinguished chairman of our committee, the gentleman from California [Mr. LEWIS], for being so very easy to work with during the last several weeks on this bill.

I ask unanimous consent that my entire set of remarks be placed in the RECORD.

Mr. Chairman, I want to commend this distinguished chairman of our committee, the gentleman from California [Mr. LEWIS], for his cordial handling of this very complicated bill. I also want to acknowledge the diligence and wise counsel of the ranking member, the gentleman from Ohio [Mr. STOKES], on this bill.

#### INTRODUCTION

The programs under our committee's jurisdiction provide assistance and benefits that help millions of Americans achieve a better life. Included are programs for medical care and benefits for our Nation's veterans, affordable and decent housing for families and individuals of all incomes and circumstances, a safe and clean environment, and investments in technology and science. In addition, this bill also continues to fund one very big-ticket item, the space station, at the expense of other programs under the committee's jurisdiction, including ones designed to assist the poorest, the neediest, and the most vulnerable among us.

For the second year in a row, two programs, which I strongly support and will vigorously work to ensure the task for which they were intended, are carried out by the corresponding agency have not been funded in this bill: the John Heinz Neighborhood Development Program and the Health Professional Scholarship Program.

#### JOHN HEINZ NEIGHBORHOOD DEVELOPMENT PROGRAM

The John Heinz Neighborhood Development Program was authorized in the Housing & Community Development Act of 1992. It awarded Federal matching funds to nonprofit community-based organizations involved in neighborhood revitalization and economic development activities.

The program spurred local initiatives by hundreds of community-based development organizations in concert with the private sector and empowered local communities to address specific needs of their neighborhoods. Typically, 90 percent of the financing needed by the nonprofit neighborhood organizations is raised within the community itself by creating a partnership between the nonprofit neighborhood organizations and the business community. And most importantly, it built the technical capacity for small nonprofit neighborhood organizations to assist in the revitalization of their community. There are no narrowly delineated directives from the Federal Government about what specific projects qualify for the matching funds.

National competition assured that Federal help was based on merit. For every grant received there were four applications submitted. The maximum grant awarded is \$75,000. Currently under HUD, there is no one program designed to perform the task of the JHNDP—

to assist small nonprofit neighborhood organizations revitalize their own communities. In this age of empowering our communities to make decisions at the local level, this program does exactly that. It devolves responsibility in the hands of those who can make the differences. The JHNDP allows nonprofit neighborhood organizations the flexibility to tell us in Washington what is important to them, not vice versa.

#### HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

Last year, I was grateful for the chairman's willingness to work with me to fund the Health Professional Scholarship Program. This program assisted in assuring an adequate supply of trained health care personnel for the VA and the Nation. To date, the program has awarded more than 4,000 scholarships to students in nursing, occupation therapy, physical therapy, respiratory therapy, and nurse anesthesia. It was successful in providing a continuous stream of academically prepared health care professionals for VA employment. Upon graduation, students are required to complete 2 years of service in the VA health system, and the retention rate of scholarship recipients in VA medical centers is greater than 50 percent.

The flexibility to provide scholarships for the education of a variety of health professionals made this program particularly useful as changes have occurred in the delivery of health care services. As the program identified shortages in particular categories of health professionals, the numbers and types of scholarship awards have been shifted accordingly.

The restoration of this program is vital to the recruitment and retention of scarce health professionals in the VA, and it is necessary to be responsive to the health care needs of veterans who have courageously defended this Nation. The men and women who have served in our Armed Forces deserve nothing less. Unfortunately, once again this vital program has been eliminated. I am hopeful that I can work with the VA to maintain the concept of this vital program.

#### OHIO VA CEMETERY

I am pleased to note that the bill funds the completion of the design phase of the VA cemetery in Guilford Township, OH, for the over 600,000 veterans and their family members, who are eligible for burial in a national veterans cemetery, who live in northeastern Ohio. Many of these individuals are World War II and Korean war veterans. The closest veterans cemetery is located near Dayton approximately 2 hours south of Cleveland. With this cemetery nearing capacity, many veterans groups believe that with the construction of a new cemetery, that Ohio veterans and their families will better be served by our Nation.

#### DRUG ELIMINATION GRANTS

I am pleased this year the subcommittee was able to fully fund the drug elimination grants for public housing. Drug elimination grants, which were pioneered by Jack Kemp while he was HUD Secretary, are provided to public housing agencies and Indian housing authorities to promote safe housing communities by ridding them of drugs and drug-related crime. In my own district, the Toledo, OH, Police Department saw a dramatic decrease in drug activity in areas with public housing as a result of these grants.

#### CONCLUSION

I also want to point out the excellent job that some of our smaller independent agencies are

doing like Neighborhood Reinvestment Corporation and American Battle Monuments Commission.

I would merely say here that there is no question that the jurisdiction of this committee provides assistance and benefits that help millions of Americans achieve a better way of life, whether it is veterans, whether it is affordable housing, whether it is a clean environment; also investments in new technology and science, including space science.

I want to thank the chairman also and the ranking member for including the drug elimination grants which we fought so very hard for, making sure that those were incorporated in this year's measure, certainly for the veterans cemetery in Ohio, and I do wish to express concern about the Health Professional Scholarship Program and its importance.

I would like to engage the chairman in a colloquy regarding the importance of the activities that had been funded under the John Heinz Neighborhood Development Program. This program, which has not been authorized, spurred local initiatives by hundreds of community-based development organizations in concert with our private sector, as well as provided technical assistance for small nonprofit neighborhood organizations to assist in the revitalization of their community. Though the administration has not requested funds for this program, nor has it requested authorization for this program, nevertheless, in this age of empowering our communities and their people to make decisions at the local level, this program devolved responsibility into the hands of those who can really make a difference.

The John Heinz Neighborhood Development Program allowed nonprofit neighborhood organizations the flexibility to tell us in Washington what is important to them, not vice versa, and I know that the chairman agrees with this philosophy and would like to encourage it.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. KAPTUR. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, let me say that I very much appreciate the gentlewoman's expression of concern about the items that are part of this bill, but particularly the commitment and direction she is attempting to have us all give to the John Heinz Program.

The gentlewoman is correct about my own view regarding that work as we have seen it demonstrated so far. I know that this program has done a very credible job in empowering local communities to address the specific needs of their neighborhoods. I believe it is very important to move in precisely that direction.

The CHAIRMAN. The time of the gentlewoman from Ohio has expired.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.



The HOME Program and the Neighborhood Reinvestment Corporation are two programs that cater to nonprofits and Community Development Corporations that have successfully changed neighborhoods in tangible, real ways. The CDC's that utilize the John Heinz Program are eligible to apply for these funds.

Additionally, the CDC's are eligible also for funding from CDBG, a program that we will be replenishing further later in our discussions this evening.

Despite its popularity and flexibility, however, the CDBG program should be more aggressive about encouraging these very types of partnerships and monitoring whether CDBG funds are spent on eligible activities and assist low and moderate income families.

I pledge to the gentlewoman that I intend to address this concern as this legislation moves through the appropriations process. I want to thank her very much for brining this matter to our attention.

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I thank the chairman and look forward to working with him to find a solution to assist nonprofit entrepreneurial neighborhood organizations and the revitalization of their communities across our country.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, before the gentlewoman leaves the podium let me say that beyond just the John Heinz Program, in which we both see a good deal of promise, I want my colleagues to know that the gentlewoman has been a very helpful member of our subcommittee and has made considerable contribution to our work. We appreciate that same spirit of which we have felt a reflection this evening. It is pleasure to work with the gentlewoman.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman, and I thank the ranking member for yielding me time.

Mr. STOKES. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Minnesota [Mr. VENTO], the distinguished ranking member of the Subcommittee on Financial Institutions and Consumer Credit.

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

Mr. VENTO. Mr. Chairman, I thank the ranking member for yielding me this time.

Mr. Chairman, I rise in support of H.R. 3666, the VA, HUD, and independent agencies appropriations bill. This fiscal year 1997 bill is an improved bill in comparison to the radical bill passed by the majority party of the House last year. The measure carries forward the long sought compromise that extended debate midway into this 1996 fiscal year. I remain concerned, however, that it remains wholly out of step with people, priorities and shared sacrifice

which should characterize reductions in spending necessary to achieve sound fiscal balance. I do pragmatically understand, however sadly, that the votes in this Congress simply do not reflect American public opinion and values much less the need.

On the whole, the bill basically maintains the status quo with 1996 levels of spending; that is levels established after serious cuts of between 20 and 30 percent were made to housing and homeless programs in 1995-96. I am pleased at the continued funding for the drug elimination grant program for public and assisted housing. EPA funding is below the administration's request by nearly half a billion dollars. A strong and cost effective community program, AmeriCorp, is not eliminated but is severely underfunded by this appropriations bill. Perhaps the only "safe" programs are those within the Department of Veterans Affairs which has available most \$39 billion. Even in this instance, we must acknowledge the greater needs for veterans and these programs. Despite funding less than administration requested, positive increases in VA medical care and major construction of VA facilities are achieved.

As a senior member of the authorizing committee for housing programs, I have grave concerns about a bill that maintains about \$4 billion worth of cuts from fiscal year 1995 levels and undercuts the administration's request by \$2.3 billion while at the same time continuing to provide \$5.3 billion to NASA for human space flight, the space station, in its 10th reincarnation. Like so many before it, this appropriations bill continues to place deficit reduction on the backs of the most vulnerable Americans—the poor, the homeless, and even our elderly.

Later, I will join my colleague, Mr. JOSEPH KENNEDY, the ranking member of the Housing Subcommittee, in offering two amendments: one to restore funds to the McKinney homeless assistance programs at HUD to the pre-recession 1995 level, and the other to restore a long-time policy to have incremental—or new—section 8 assistance in place to serve new housing and shelter needs. Each amendment is a good faith attempt to put a dent in the number of households that have worst case housing needs. HUD reports to us that some 5.3 million people who do not receive housing assistance are underhoused or are paying much too much of their income to be housed. By treading water, this bill's allocation for HUD espouses a policy of inadequate and limited help for people in need of housing assistance. The Kennedy/Vento amendments should be supported if we are to reverse course for homeless and housing assistance spending.

Although total spending for the Environmental Protection Agency is slightly higher than last year's level, the proposed sum is nearly half a billion dollars under than the President's request. In addition, funding is cut by \$1.5 billion for the key Community Right to

Know Program, which makes information about toxic pollutants available to the public. I will certainly support the Durbin amendment to restore that funding and give the American people access to information about pollution affecting their communities.

As this bill is written, \$861 million appropriated for Superfund money can be used only if the Superfund Program is reauthorized. Reauthorization looks unlikely at this time, so I will also support efforts to ensure that all the funds designated for Superfund toxic waste clean ups are available without conditions. We must continue the clean up now, not delay it. The American people want clean air and pure water, and EPA Superfund funding is the one of the most important means by which we achieve those goals.

I do want to note my strong support for the \$50 million of funding for the Neighborhood Reinvestment Corporation and for the continued funding, albeit limited, of the Community Development Financial Institutions Program. Both of these represent good public private partnerships that would be penny wise and pound foolish to further cut or deny. I also note that the FEMA Emergency Food and Shelter Program has been level funded at \$100 million for fiscal year 1997. Here again is an essential program that is a very successful partnership that should be pursued as vigorously as possible.

Mr. Chairman, while this bill is a better bill, a less contentious bill, than last year's initial House-passed measure, I am concerned that this bill could have far reaching effects as cuts are masqueraded as level funding amounts. The trick is seeing the reality of those cuts compared to a 1995 baseline. What I see is a continued reality of human deficits and environmental tragedies that will not be assuaged or fooled by the funding in this bill.

The infamous series of dozens of riders, environmental mostly, has not reappeared for the most part. Apparently the majority has backed off for now. We should completely scrub this final measure of such policy changes. Although I do not support every aspect of the bill and have grave misgivings about some of the programs funded, I will support the bill based on where we have been and the realization that further changes will be made in the House, Senate and in the final form that is presented to the President.

Mr. LEWIS of California. Mr. Chairman. I yield 3 minutes to the gentleman from Maryland [Mr. GILCHREST] for the purpose of a colloquy.

Mr. GILCHREST. I thank the chairman for yielding me time.

Mr. Chairman, I rise to engage in a colloquy with the gentleman from California [Mr. LEWIS]. As the chairman knows, my concern is for the construction funding for Perry Point VA Medical Center in Maryland. It has been quite exemplary in treating some of our tragic victims of war. Many of them, as a result of the conflicts they have experienced, have come down with very serious psychiatric problems.

The facility was made up of buildings that were designed and constructed during the 1930's and 1940's. Many of these buildings have received little renovation since then. This much-needed construction will address concerns of appearance, quality and efficiency,

while meeting serious handicap accessibility standards, patient privacy standards, and replacing these aging utilities.

More importantly, there are current fire and safety deficiencies that will be corrected as a result of this project. Unfortunately, funds for this project are not included in the bill before us, despite its being a longstanding priority. These funds are needed for renovation of psychiatric wards that care for some of the most vulnerable veterans in our society, some who suffer from dementia-related illnesses.

It is my understanding that the omission of Perry Point as a major construction project has nothing to do with the merit of the project, and it would be my hope that the chairman might give this project further consideration now and before the conference.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. The gentleman is correct. The Perry Point VA Medical Center was a priority in fiscal year 1996. However, it never received any funding. The administration did not include Perry Point VA in its fiscal year 1997 budget. I recognize the gentleman's concern and I can assure the gentleman that I will work with him to seek funds for this project as we continue in the process.

Mr. GILCHREST. I thank the gentleman.

Mr. BARR of Georgia. Mr. Chairman, I rise in strong support of the amendment of the distinguished chairman of the subcommittee on Veterans, Housing and Urban Development, Mr. LEWIS, to increase total funding for the Community Development Block Grant Program [CDBG] in the fiscal year 1997 VA-HUD appropriation to \$4.6 billion. Raising the overall appropriation to \$4.6 billion is consistent with the commitment to the CDBG Program undertaken in the last session when it was spared from difficult budget cuts.

Last year during consideration of the fiscal year 1995 rescissions appropriations bill, working with Chairman LEWIS, I agreed to withdraw amendments designed to restore funding to the CDBG Program with the understanding the funding would be restored in the conference committee with the Senate. Chairman LEWIS was instrumental in seeing to it that commitment was met. Similarly, during negotiations on the fiscal year 1996 appropriation, and graciously accepting input from me and others supportive of the \$4.6 billion funding level for the CDBG Program, Chairman LEWIS ensured that the fiscal year 1996 program was approved without cuts.

I am proud today to support Chairman LEWIS again in our joint efforts to maintain funding for this important program. For 22 years the Community Development Block Grant Program has been recognized as a model for success. It has been one of a precious few, Federal programs, that has successfully moved people from dependency to productivity and independence.

The CDBG Program has provided a flexible mechanism for channeling Federal funds for local investments in community development and revitalization activities. The point is local officials are making their own decisions about local priorities, and achieving far greater success than had those decisions been mandated by Washington bureaucrats.

In my own district, the CDBG Program has been instrumental in the provision of many much-needed projects such as senior citizens centers, public health facilities, mental health centers, shelters for abused children, day care centers, job training and housing improvement activities. Without CDBG, most of these critically important facilities and services would simply not be available today.

The people of Georgia and local officials have made great use of the CDBG Program over the years, and they will continue to do so. It is among the most successful of all block grant programs and perfectly in keeping with our efforts to take power and money from the Washington bureaucrats and return both to local officials, who know the needs of their communities and who are directly accountable to the people they serve.

In closing, let me once again thank the distinguished Chairman for his leadership on this issue and for hearing the support of people of Georgia's Seventh District in offering this amendment. I urge my colleagues to support the chairman and pass this amendment. CDBG funding makes it possible for people back home to break cycles of dependency and to provide for themselves and their families.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to remind the Republican majority of the people who will be forgotten in this appropriation measure.

The 15,000 homeless families and the 20,000 families on the waiting list for public housing for the city of Houston need more than this legislation offers. The 23,641 students taught, and the 49,632 youth helped through violence prevention programs run by thousands of AmeriCorps workers is a testament to the vital role they play in our communities around the country. Breathable air and safe clean drinking water are our Nation's greatest undervalued resources. The important scientific and technological resource that NASA represents for our future is underfunded.

On the streets of our Nation's cities reside thousands of homeless people, but this legislation would expand housing certificate programs with no guarantee of recipients finding an affordable place to live. With the documented reality of housing discrimination and red lining, this appropriation bill does not provide sufficient funding for programs to educate the general public on identifying housing discrimination and the penalties for violating these laws or enough funding for enforcement of this Nation's fair housing laws.

According to the Coalition for the Homeless of Houston (and) Harris County, women and children comprise 49 percent of the 1996 emergency shelter population in the city of Houston. The coalition also reported that the number of emergency shelter beds increased by 0.4 percent from 2,338 in 1995 to 2,438 in 1996. A study on homelessness conducted by

the McKinsey & Company, revealed that on any given night about 10,000 people in Houston and Harris County are literally homeless. In Harris County alone, the McKinsey Report further asserted that there are 150,000 individuals who are marginally homeless who depend on family friends to keep them from falling into hopelessness. However this legislation forces programs like the Space Station to be pitted on Homeless Funds. We simply need more funding for the homeless without cutting space station jobs. It can be done.

AmeriCorp is another issue that concerns me. It is the one and only chance for many of its participants to obtain a college education. It has been under attack from the early days of the 104th Congress for being inefficient. The truth is that among the numerous independent studies this year, including the one by the conservative Chicago School economists sponsored by three private foundations confirmed that investments in national service programs are sound, yielding from \$1.54 to \$3.90 for every dollar invested. In fact, a 1995 GAO report concluded that AmeriCorps almost tripled the amount \$31 million that Congress directed them to raise by raising \$91 million.

We must also carefully review this bill because there are Members of this body who have had photo-ops painting themselves green by planting trees, using recycled paper, adopting a highway, or visiting zoos when their true environmental legislative color are closer to a rusk colored brown, evidenced by the treatment of Environment Protection Agency [EPA] funding.

The record of the 104th Congress, the first Republican-controlled Congress in 40 years, has proposed reduced funding for water improvement grants and elimination of funding for environmental technology initiative [ETI]. This type of legislative approach to the environment would decimate our Nation's need to stay ahead of the threats to clean, safe drinking water.

The ETI was announced by President Clinton in his first State of the Union address on February 17, 1993. The ETI is an intergovernmental effort led by the Environmental Protection Agency with a mission of improving the levels of health and environmental protection by accelerating the development and use of innovative environmental technologies.

Elimination of this program means that this Government will not be active in the development of environmental technologies. According to the Environmental Business International [EBI], a private industry analyst, there was an estimated \$134 billion generated domestically in 1992. The global market will grow from a 1992 sum of nearly, \$300 billion, to as much as \$500 billion by the year 2000.

This industry could mean billions for our economy if this body had the backbone to say "no" to political convenience.

Exports of environmental technology create high-wage jobs. Research shows that for every \$1 billion worth of exports, 15,000 U.S. jobs are created; with a 5 percent increase in U.S. environmental technology exports, and estimated 362,000 new jobs would be created.

Clean, safe drinking water is one of the most precious commodities this country can

own. With the passage of the EPA appropriation bill, as it is written, that sad refrain "water, water everywhere but not a drop to drink," could become one step closer to reality for too many residents of our Nation. Further two areas in my district, Kennedy Heights and Pleasantville, need Super Fund help and EPA monitoring of toxic contamination in their neighborhoods.

Lastly, NASA allowed our Nation to see the future and say that it was ours. It is the program that made national heroes out of America's engineers and scientists. NASA gave us the will to follow our own creative zeal which resulted in special projects that have led to technological innovation in food preservation, medical research, and the environmental sciences.

I would like to say that I am not opposed to a reasoned well-planned appropriations process where the benefits and costs are weighted carefully before legislation is brought to the floor for action. The taxpayers of this Nation deserve no less than our best efforts.

I urge my colleagues to carefully consider their vote on this bill.

Mr. BEREUTER. Mr. Chairman, this Member rises to express his thanks to the distinguished subcommittee chairman, Mr. LEWIS, and the distinguished ranking Member, Mr. STOKES, for their efforts in bringing this bill before us today.

This Member is particularly pleased that H.R. 3666 includes \$3 million in funding for the Indian Housing Loan Guarantee program at HUD. This very modest sum will guarantee the private financing of nearly \$37 million in housing loans for Indian families. As you know, Mr. Chairman, there is a severe lack of decent, affordable housing in Indian country, due in large part to the lack of private financing in Indian country. This program provides a substantial means of bringing much needed private financing to Indian country. This very limited Federal funding is money well spent, and this Member commends the appropriators for including it in this measure.

The appropriators also should be commended for increasing an inadequate initial allocation for VA and HUD programs. However, this Member is still seriously concerned with a number of provisions in the HUD portion of this bill, specifically first, the restructuring of the section 8 project-based housing program which is also known as mark-to-market, which should be subject to hearings and legislation in the appropriate authorizing Committee second, the dramatically reduced funding levels for the section 202 and section 811 housing programs, and third, the reduction in Community Development Block Grant [CDBG] funding levels. This Member is pleased to learn that Chairman LEWIS is planning on striking the mark-to-market provisions during consideration of the bill. This will allow the authorizing committee adequate opportunity to investigate the issues.

Mr. Chairman, this Member is supportive of the amendment to be offered by Chairman LEWIS to raise the funding for CDBG to the fiscal year 1996 enacted level. CDBG is a Federal program which provides grant funds directly to large cities or indirectly to other communities through a State agency, for community development projects. The House Committee on Banking and Financial Services, on which I serve, has the oversight and authorization responsibilities for all HUD programs,

including CDBG; therefore, I am interested to see these funds used effectively for eligible purposes.

Additionally, this Member would like to express his support for the amendments to be offered by Representative LAZIO increasing funding to the section 202 and section 811 programs. Although inadequate levels were requested by the administration for these programs, Congress must ensure sufficient funding to protect America's seniors and disabled.

Mr. Chairman, this Member is pleased that the legislation includes \$12.5 million for rural water training and technical assistance. This is clearly a most cost-effective and beneficial Federal program aimed at assisting small and rural water systems to comply with Federal regulations and improve public health. In every State, on-site technical assistance is the backbone of small system compliance. Small systems have limited funds to operate and to comply with the Safe Drinking Water Act [SDWA]. Through technical assistance, small communities work together to conduct a statewide, peer-oriented, grassroots assistance program. In addition, through rural community assistance programs, multistate regional technical assistance providers provide assistance to small communities across the country on drinking water and waste water compliance issues.

Small communities simply do not have the engineers, the laboratories, and the other necessary technical and financial resources of large cities that are needed to meet Federal requirements. Such technical assistance allows America's small communities to help each other outside of the regulatory bureaucracy. This results in a growing number of small systems moving into SDWA compliance. This leads to steady improvement in water quality and a long-term solution to public health problems.

Mr. OLVER. Mr. Chairman, I rise in support of the Lewis amendment to restore \$300 million to community development block grants [CDBG] which would bring this account back up to last year's funding level and the level of President Clinton's request for fiscal year 1997.

CDBG funds are very important to the larger communities in my district. My district is mostly rural. The largest city, Pittsfield, has a population under 50,000. CDBG money is critical for my [CDBG] entitlement communities of Fitchburg, Holyoke, Leominster, Pittsfield and Westfield.

But Massachusetts has also created a great new system for funding called [CDBG] mini-entitlements.

Under this plan, 16 additional communities will be able to count on CDBG funds for 2 years. These communities do not automatically receive annual funds under the Federal block grant. But they have received competitive CDBG money through the State for at least 3 out of the last 5 years.

Under this new plan, the communities of Gardner, Greenfield, North Adams and West Springfield, in my district, will receive up to \$600,000 each to carry out projects that make or create jobs, improve infrastructure or provide better housing or social services to the community. These projects could be, for example, water and sewer upgrades, handicapped accessibility, development of downtown areas, housing rehabilitation, revolving loan funds for business development, or the creation of child care facilities.

These communities hope to have a 2-year CDBG commitment to carry out their improvement plans. But that commitment depends on the Federal level of CDBG funding.

I urge my colleagues to support this amendment and to support sound community development.

Mr. EWING. Mr. Chairman, I rise in strong support of language included in the committee report on H.R. 3666, the fiscal year 1997 VA-HUD appropriations bill, concerning activities within the U.S. Department of Housing and Urban Development to move toward Federal regulation of the property insurance industry. I strongly oppose any effort to weaken or delete this report language and urge the Appropriations Committee to keep this language during negotiations with the Senate.

HUD has undertaken several activities to involve the Federal Government in the so-called issue of redlining, including investigations of insurance companies and providing funds to liberal special interest groups to prepare studies, which I believe are highly questionable, concerning redlining. HUD has no statutory authority to be involved in this area, and under the McCarran/Ferguson Act regulation of insurance is the responsibility of the States. Furthermore, the Fair Housing Act never mentions discrimination in property insurance and does not give HUD the authority to get involved in this area. The States are exercising the authority they were given under McCarran-Ferguson to address redlining problems where they exist, and Illinois in particular has been vigilant in this matter. There is no reason for HUD to get involved in this State matter.

I strongly support the committee's report language concerning HUD's involvement in redlining issues and thank Chairman LEWIS and Rep. JOE KNOLLENBERG for their continued work on this matter.

Mrs. VUCANOVICH. Mr. Chairman, I rise today in strong support of H.R. 3666, the VA-HUD-independent agencies appropriations bill for fiscal year 1997. Preparation of this bill took a lot of sweat and tears and I thank the chairman and his tireless staff for putting this bill together.

Why is this a good bill? It's a good bill because it provides \$84.3 billion in new budget authority, but keeps us on track toward reaching a balanced budget.

It's a good bill because it increases funding by \$444 million for medical care for veterans. The bill also fully funds veterans compensation and pensions, readjustment benefits, insurance and several other veteran programs.

H.R. 3666 also ensures funding for housing of our Nation's elderly and disabled. It maintains funding for severely distressed public housing, homeless assistance grants, and drug elimination grants.

In addition, the bill makes a commitment to our communities, providing \$1.4 billion for the clean water State revolving fund and \$450 million for safe drinking water grants.

Last, this bill maintains our Nation's commitment to exploration in space. Like the Sun coming up every day, we tend to take space exploration for granted. Yet, NASA continues to make great strides, including a liftoff last week of the space shuttle *Columbia* where experiments are being conducted to study changes in the human body in weightlessness.

Mr. Speaker, this bill is not perfect—but then again—nothing is. The chairman and the subcommittee are committed to continue working to see improved funding levels for the

community development block grant program which is important to localities. I offer my assistance to the chairman in this effort.

This year was a challenging year, but one which brought forth good results. H.R. 3666 is one of these results, and I urge my colleagues to support this bill.

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

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule.

The amendment printed in section 2 of House Resolution 456 is adopted.

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

The Chairman for the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

After the reading of the final lines of the bill, a motion that the Committee of the Whole rise and report the bill to the House with such amendments as may have been adopted shall, if offered by the majority leader or a designee, have precedence over a motion to amend.

The clerk will read.

The Clerk read as follows:

H.R. 3666

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes, namely:

#### TITLE I

#### DEPARTMENT OF VETERANS AFFAIRS VETERANS BENEFITS ADMINISTRATION COMPENSATION AND PENSIONS (INCLUDING TRANSFERS OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article

IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198); \$18,497,854,000, to remain available until expended: *Provided*, That not to exceed \$26,417,000 of the amount appropriated shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized by the Veterans' Benefits Act of 1992 (38 U.S.C. chapter 55).

□ 1900

Mr. STOKES. Mr. Chairman, I move to strike the last word.

Would the distinguished chairman of the subcommittee be willing to respond to a few questions regarding the language in the committee's report discussing the Fair Housing Act?

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield, I would be pleased to join in a colloquy with my colleague from Ohio. Mr. STOKES.

Mr. STOKES. I thank my chairman.

The committee conference report contains language expressing the committee's concern that HUD not duplicate the State's regulation of property insurance. However, it is the view of many members of the committee, that HUD does not regulate insurance. The Department does not now and will not approve rate filings or underwriting guidelines, set licensing procedures, address financial matters related to solvency issues, or perform any of the standard functions now performed by State regulators.

As the Fair Housing Act requires, HUD presently investigates complaints of unlawful discrimination that violate the act in the provision of property insurance, enforces the act as it applies to insurance, and has promulgated regulations that apply the act's prohibitions against discrimination to property insurance.

Nor do the actions of HUD duplicate laws and regulations of the States that address unfair discrimination in property insurance, as asserted. The fact is that while most State insurance codes address issues pertaining to unfair discrimination, these State insurance laws generally lack the scope of protection of the Fair Housing Act: For example, the private right of action in the Federal courts; a HUD investigation to determine if there is reasonable cause to believe a violation has occurred; or a right to damages and representation by the Federal Government in an administrative hearing or in a Federal court.

Although 17 States list various protected groups under the State law,

each excludes one or some of the groups protected under the Fair Housing Act.

Mr. LEWIS of California. Mr. Chairman, I understand that there is disagreement among the members of the committee on the issue that the gentleman from Ohio [Mr. STOKES] raises.

Mr. STOKES. Mr. Chairman, is the gentleman from California [Mr. LEWIS] aware that members of the committee disagree on two assertions in the committee report? First, the Fair Housing Act makes no mention of discrimination in property insurance, and, second, neither the act nor its legislative history suggests that Congress intended it to apply to the provision of property insurance.

The fact is that both Republican and Democratic administrations, beginning with a HUD general counsel opinion in 1978, have determined that the Fair Housing Act prohibits insurance redlining and discrimination in the terms, conditions, costs, or other aspects of coverage.

Following enactments of the fair housing amendments of 1988, President Bush issued regulations in 1989 explicitly applying the Fair Housing Act to discrimination in insurance. Since then, two Federal courts of appeal have determined that the act's provisions defining discrimination apply to property insurance. In both situations, the Supreme Court has denied a petition to consider the matter, in one case as recently as this year.

While it is true that in the course of considering amendments to the act, Congress has rejected provisions that would explicitly cover property insurance discrimination, the Department testified in hearings that the explicit mention of insurance was not necessary because insurers were already covered by the act as were others, such as landlords, apartment managers, title insurance companies, contractors, housing developers, group home operators, employers who provide financing, and State and local governments.

Mr. LEWIS of California. Mr. Chairman, I am aware that the committee has substantial differences on this issue as well.

Mr. STOKES. May I also assume that my distinguished chairman is aware that some Members disagree with the assertion that the Fair Housing Act prohibition of discrimination in property insurance is barred by the McCarran-Ferguson Act of 1945? The fact is that McCarran-Ferguson states that a Federal law that does not specifically relate to insurance shall be construed so as not to invalidate, impair or supersede any State law regulating the business of insurance.

Circuit court decisions have clearly established the applicability of the Fair Housing Act to discriminatory insurance practices and have not found them to be barred by McCarran-Ferguson. In the most recent appellate decisions on the issue, the Sixth Circuit followed the Seventh Circuit, joining a

long line of courts that have upheld HUD's jurisdiction. On May 1, 1995, the court found that "HUD's interpretation of the Fair Housing Act is consistent with the goals of the Fair Housing Act and a reasonable interpretation of the statute. We hold that the McCarran-Ferguson Act does not preclude HUD's interpretation of the Fair Housing Act." The Supreme Court has declined to review these cases.

Mr. LEWIS of California. Mr. Chairman, I do not want to leave the wrong impression for the gentleman from Ohio [Mr. STOKES], for our work has led to a great deal of agreement across the board with a variety and mix of difficult issues, but, yes, I am aware that on this issue there is also substantial disagreement among the Members.

Mr. STOKES. Mr. Chairman, may I also ask, is my colleague aware that, despite the absence of any language in the appropriation measure before us that would restrict HUD's authority to fund activities on furtherance of the Fair Housing Act in its use of FHIP funds, report language that is not supported by many members of the committee could be read to seek to restrict the Department?

The CHAIRMAN. The time of the gentleman from Ohio [Mr. STOKES] has expired.

(By unanimous consent, Mr. STOKES was allowed to proceed for 2 additional minutes.)

Mr. STOKES. Mr. Chairman, it is the intention of this Member and others that the Department have the authority to address all forms of discrimination under the Fair Housing Act, sometimes referred to as title VIII of the 1968 Civil Rights Act, as the Act has been interpreted by the Federal courts.

Mr. LEWIS of California. I am aware, Mr. Chairman, that there is disagreement here, too.

Mr. STOKES. I am concerned that these issues have been addressed in report language without the opportunity for hearings on the matters involved and involving matters upon which there is substantial disagreement between Members. They are an attempt to revise the history of this body to deal with an important substantive issue involving civil rights that are critical to all of our citizens. These issues involve matters which have traditionally been outside the purview of this committee and more properly dealt with in legislation other than appropriation legislation. They deserve the careful debate and consideration that this body has provided to such issues in the past.

I thank my distinguished chairman for participating in this colloquy with me.

Mr. KNOLLENBERG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to clarify the committee report language regarding HUD's application of the Fair Housing Act to property insurance and to engage the distinguished chairman, if I might, in a colloquy.

First, I think it is important to emphasize that nothing in the committee report either states or suggests that Congress is not fully committed to the eradication of unlawful discrimination in whatever form it may appear. In particular, the report does not suggest that there should be any tolerance of unfair discrimination in insurance. Rather, it specifically emphasizes the importance of the laws and regulations prohibiting unfair insurance discrimination that are maintained by every State and the District of Columbia. The issue dealt with in the report is not whether unfair discrimination by insurers be prosecuted and punished but, rather, who should undertake such prosecution: HUD or the insurance commissioners of the 50 States and the District of Columbia.

As I am sure the gentleman is aware, the Fair Housing Act does not, by its very terms, apply to property insurance. The statute expressly prohibits discrimination in the sale or rental of housing. It also specifically prohibits discrimination in mortgage lending and the services that mortgage brokers provide. It does not, however, mention property insurance at all. There is ample indication in the legislative history of this statute that Congress was intentional in omitting any such reference. First, when the Fair Housing Act was enacted in 1968, it was expressly the view of this House floor that property insurance was excluded from its scope. Second, in the same legislative session, Congress specifically addressed the issue of property insurance availability through a separate law, the Urban Property Protection and Reinsurance Act, choosing that measure, rather than the Fair Housing Act, as the appropriate way to deal with the issue.

Third, while there have been several attempts since 1968 to include property insurance under the umbrella of the Fair Housing Act, each of them failed at some stage of the legislative process. Finally, last year the House voted 266-157 against funding HUD activities involving the application of the Fair Housing Act to property insurance.

Am I correct in assuming the gentleman agrees that the legislative history of this issue suggests Congress never intended the Fair Housing Act apply to the business of insurance?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield.

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

Mr. LEWIS of California. The gentleman's assumption is correct. The legislative history of the Fair Housing Act demonstrates that Congress has on many occasions decided not to apply the act to insurance.

Mr. KNOLLENBERG. I thank the gentleman.

Mr. Chairman, while the legislative history is quite clear, the situation in the courts is less so. Recently, two circuit courts reached the conclusion that the Fair Housing Act applies to the

business of insurance. Those courts strictly followed the doctrine of judicial deference to agency decisionmaking. They apparently felt constrained by the fact that HUD, the agency that was charged with implementing the Fair Housing Act, had declared that the law should be applied to insurance. Rather than contradict HUD, the courts determined that they should follow HUD's rule at least until Congress expressly makes clear that HUD's interpretation is wrong.

Before HUD issued its 1989 rule stating that the Fair Housing Act applies to insurance, the prevailing view in the Federal circuit courts was that the act does not apply to insurance. It was only after HUD's rule was promulgated that the courts decided otherwise. HUD, therefore, was essentially responsible for triggering the court decisions finding that the Fair Housing Act applies to insurance.

Am I correct again, Mr. Chairman, in assuming that the gentleman agrees that the courts have sent mixed signals on this issue?

Mr. LEWIS of California. The gentleman is correct. I have reviewed the information provided to me. The 6th and 7th Circuits found—after the implementation of HUD's rule—that the Fair Housing Act applies to property insurance, while the 4th Circuit found—before the rule—that it does not. I would also say to the gentleman that it is my hope that the Supreme Court will weigh in on this issue so that the uncertainty can be dispelled.

Mr. KNOLLENBERG. I again thank the gentleman.

Mr. Chairman, by its terms the McCarran-Ferguson Act renders any Federal statute inapplicable to the activities of insurance companies, if, one, the Federal statute does not specifically relate to insurance; two, the challenged activity constitutes the business of insurance; and, three, the Federal statute would invalidate, impair or supersede State insurance law. An examination of these factors suggests that the application of the Fair Housing Act to property insurance practices is barred by the McCarran-Ferguson Act. As I previously stated, the Fair Housing Act makes no mention of property insurance. Secondly, the pricing, underwriting and marketing of property insurance policies clearly constitutes the business of insurance.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KNOLLENBERG] has expired.

(By unanimous consent, Mr. KNOLLENBERG was allowed to proceed for 2 additional minutes.)

Mr. KNOLLENBERG. Finally, Mr. Chairman, the courts have held that a Federal statute will be deemed to invalidate, impair, or supersede State law whenever the State has regulated the same general subject within the business of insurance. Currently, all States specifically forbid unfair discrimination in the issuance or termination of property insurance. Thus, it

appears that HUD's activities pursuant to the Fair Housing Act constitute a dual Federal-State system of regulating insurance discrimination, contrary to the letter and spirit of the McCarran-Ferguson act.

Does the gentleman again concur that HUD's application of the Fair Housing Act to insurance is fundamentally at odds with McCarran-Ferguson?

Mr. LEWIS of California. If the gentleman will yield further, I would say to the gentleman, his contention that application of the Fair Housing Act to property insurance runs counter to Congress's intent embodied in the McCarran-Ferguson Act is reasonably founded.

Mr. KNOLLENBERG. Mr. Chairman, I thank the distinguished gentleman for engaging me in this colloquy.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by 38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61, \$1,227,000,000, to remain available until expended: *Provided*, That funds shall be available to pay any court order, court award or any compromise settlement arising from litigation involving the vocational training program authorized by section 18 of Public Law 98-77, as amended.

#### VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, \$38,970,000, to remain available until expended.

#### GUARANTY AND INDEMNITY PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, \$105,226,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### LOAN GUARANTY PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, \$33,810,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### DIRECT LOAN PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided fur-*

*ther*, That during 1997, within the resources available, not to exceed \$300,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct loan program, \$80,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### EDUCATION LOAN FUND PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$3,000.

In addition, for administrative expenses necessary to carry out the direct loan program, \$195,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$49,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$1,964,000.

In addition, for administrative expenses necessary to carry out the direct loan program, \$377,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT (INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, \$205,000, which may be transferred to and merged with the appropriation for "General operating expenses".

#### VETERANS HEALTH ADMINISTRATION MEDICAL CARE

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the Department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the Department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; aid to State homes as authorized by 38 U.S.C. 1741; and not to exceed \$8,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 8110(a)(5); \$17,008,447,000, plus reimbursements: *Provided*, That of the funds made available under this heading,

\$570,000,000 is for the equipment and land and structures object classifications only, which amount shall not become available for obligation until August 1, 1997, and shall remain available until September 30, 1998.

#### MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 1998, \$257,000,000, plus reimbursements.

#### MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of planning, design, project management, architectural, engineering, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the Department of Veterans Affairs, including site acquisition; engineering and architectural activities not charged to project cost; and research and development in building construction technology; \$59,207,000, plus reimbursements.

#### TRANSITIONAL HOUSING LOAN PROGRAM (INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$7,000, as authorized by Public Law 102-54, section 8, which shall be transferred from the "General post fund": *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$70,000.

In addition, for administrative expenses to carry out the direct loan program, \$54,000, which shall be transferred from the "General post fund", as authorized by Public Law 102-54, section 8.

#### DEPARTMENTAL ADMINISTRATION GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including uniforms or allowances therefor; not to exceed \$25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; \$823,584,000: *Provided*, That of the amount appropriated, and any other funds made available from any other source for activities funded under this heading, not to exceed \$3,206,000 for personnel compensation and benefits and \$50,000 for travel shall be available in the Office of the Secretary: *Provided further*, That during fiscal year 1997, notwithstanding any other provision of law, the number of individuals employed by the Department of Veterans Affairs (1) in other than "career appointee" positions in the Senior Executive Service shall not exceed 6, and (2) in schedule C positions shall not exceed 11: *Provided further*, That funds under this heading shall be available to administer the Service Members Occupational Conversion and Training Act.

□ 1915

#### AMENDMENT OFFERED BY MR. HEFNER

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HEFNER: Page 10, line 10, strike “; *Provided, That*” and all that follows through “Secretary” on line 15.

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

Mr. HEFNER. Mr. Chairman, I hope this amendment will not take that long.

This restriction was placed in the fiscal year 1996 omnibus bill and it has caused problems. It harms the veterans and when our Secretary would like to visit different areas of the country, I will place in the RECORD a letter listing the people that are supporting this: The American Legion, the Paralyzed Veterans, the VFW, Vietnam Veterans, and the DAV. I would hope that the committee would see fit to accept this amendment, which I think helps the bill tremendously.

The letter referred to is as follows:

THE AMERICAN LEGION,  
WASHINGTON OFFICE,  
Washington, DC, June 25, 1996.

Hon. W. G. BILL HEFNER,  
U.S. House of Representatives,  
2470 Rayburn House Office Building,  
Washington, DC.

DEAR REPRESENTATIVE HEFNER: The American Legion fully supports your proposed amendment to the FY 1997 VA, HUD and Independent Agencies appropriations bill, which would strike the restrictions on limitations to the Secretary of Veterans Affairs travel budget.

The VA's FY 1997 appropriations bill limits the travel budget for the Secretary of Veterans Affairs to \$50,000. The American Legion believes that limiting the Secretary's travel budget would have an adverse impact on his ability to ensure the Veterans Administration provides quality services to America's veterans. Personally visiting with veterans, their families and VA employees allows the Secretary of Veterans Affairs to better address and properly correct their concerns.

The proposed limits on the travel budget will also force the Secretary to significantly alter his managerial and leadership styles and ultimately penalize VA career employees. VA employees do their jobs, day-in and day-out, without regard to partisan politics and most have served under several administrations. Their common goal is service to America's veterans and their families.

Thank you for taking the views of The American Legion under serious consideration as you consider the FY 1997 VA budget.

Sincerely,

STEVE A. ROBERTSON, *Director,*  
*National Legislative Commission.*

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. As the gentleman knows, there were Members of the body who were greatly concerned with the way some of these responsibilities were being exercised by the Secretary. We have communicated in some depth over the last year or so. I believe and hope that we are making progress in that connection, so both in the spirit of comity between both sides of the House but also an effort to improve communication between the administration and myself, I am inclined to accept the amendment and I believe my colleague is of the same view.

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

Mr. HEFNER. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I commend the gentleman on his amendment. I thank the chairman for accepting this amendment and also the ranking minority member.

Mr. LEWIS of California. We accept the amendment.

Mr. HEFNER. Reclaiming my time, Mr. Chairman, I appreciate the gentleman's hard work that he has done on this particular bill, and the ranking minority member here. But this is something that I think strengthens the bill. I think it does a service to the veterans and certainly we do not argue about trying to get different secretaries' attention over the years, because we have had people that have had a tendency to get involved in politics probably when they should not have been getting involved in politics. But this is something that is special for our veterans. Secretary Brown is much decorated; he is a veteran. He also is a handicapped veteran, and I think he has done a tremendous job for the veterans.

I again want to thank the chairman of the committee for accepting this amendment and for the ranking minority member, who I suppose is going to go along with accepting this amendment. I thank the gentleman for what I think is an effort to strengthen the bill to make it more palatable.

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

Mr. HEFNER. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I am very pleased and want to commend the gentleman for his amendment. I also want to express my appreciation to the chairman for accepting it. We also accept it.

Mr. HEFNER. Mr. Chairman, I thank the gentleman.

Mr. LEWIS of California. If the gentleman will yield further, I appreciate very much the gentleman's contribution as well. Indeed, he is assisting us in this effort to one more time deal with veterans' matters as well as the rest of the work of this committee in a highly bipartisan as well as non-partisan fashion.

Mr. HEFNER. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. HEFNER].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

#### NATIONAL CEMETERY SYSTEM

For necessary expenses for the maintenance and operation of the National Cemetery System, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of two passenger motor vehicles for use in cemeterial operations; and hire of passenger motor vehicles, \$76,864,000.

#### OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspec-

tor General Act of 1978, as amended, \$30,900,000.

#### CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, off-site utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is \$3,000,000 or more or where funds for a project were made available in a previous major project appropriation, \$245,358,000, to remain available until expended: *Provided*, That except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 1997, for each approved project shall be obligated (1) by the awarding of a construction documents contract by September 30, 1997, and (2) by the awarding of a construction contract by September 30, 1998: *Provided further*, That the Secretary shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93-344): *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

#### CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, where the estimated cost of a project is less than \$3,000,000; \$160,000,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than \$3,000,000: *Provided*, That funds in this account shall be available for (1) repairs to any of the non-medical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

#### PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, \$12,300,000, together

with income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE  
EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131-8137, \$47,397,000, to remain available until expended.

GRANTS FOR THE CONSTRUCTION OF STATE  
VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veteran cemeteries as authorized by 38 U.S.C. 2408, \$1,000,000, to remain available until expended.

FRANCHISE FUND  
(INCLUDING TRANSFER OF FUNDS)

There is hereby established in the Treasury a franchise fund pilot, as authorized by section 403 of Public Law 103-356, to be available as provided in such section for expenses and equipment necessary for the maintenance and operation of such administrative services as the Secretary determines may be performed more advantageously as central services: *Provided*, That any inventories, equipment and other assets pertaining to the services to be provided by the franchise fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made hereafter for the purpose of providing capital, shall be used to capitalize the franchise fund: *Provided further*, That the franchise fund may be paid in advance from funds available to the Department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing (ADP) software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: *Provided further*, That the franchise fund shall provide services on a competitive basis: *Provided further*, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of Departmental financial management, ADP, and other support systems: *Provided further*, That no later than thirty days after the end of each fiscal year amounts in excess of this reserve limitation shall be transferred to the Treasury: *Provided further*, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103-356.

ADMINISTRATIVE PROVISIONS  
(INCLUDING TRANSFER OF FUNDS)

SEC. 101. Any appropriation for 1997 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for 1997 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be

available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901-7904 or 42 U.S.C. 5141-5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 1997 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 1996.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 1997 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100-86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 1997, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in an insurance program in fiscal year 1997, that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 1997, which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

TITLE II  
DEPARTMENT OF HOUSING AND URBAN  
DEVELOPMENT  
HOUSING PROGRAMS  
ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING  
(INCLUDING RESCISSION)

For assistance under the United States Housing Act of 1937, as amended (the "Act" herein) (42 U.S.C. 1437), not otherwise provided for, \$5,372,000,000, to remain available until expended: *Provided*, That of the total amount provided under this head, \$4,572,000,000 shall be for assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) for use in connection with expiring or terminating section 8 subsidy contracts of which \$975,000,000 shall be available on September 15, 1997: *Provided further*, That the Secretary may determine not to apply section 8(o)(6)(B) of the Act to housing vouchers during fiscal year 1997: *Provided further*, That of the total amount provided under this head, \$800,000,000 shall be for amendments to section 8 contracts other than contracts for projects developed under section 202 of the

Housing Act of 1959, as amended: *Provided further*, That 50 per centum of the amounts of budget authority, or in lieu thereof 50 per centum of the cash amounts associated with such budget authority, that are recaptured from projects described in section 1012(a) of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (Public Law 100-628, 102 Stat. 3224, 3268) shall be rescinded, or in the case of cash, shall be remitted to the Treasury, and such amounts of budget authority or cash recaptured and not rescinded or remitted to the Treasury shall be used by State housing finance agencies or local governments or local housing agencies with projects approved by the Secretary of Housing and Urban Development for which settlement occurred after January 1, 1992, in accordance with such section.

AMENDMENT OFFERED BY MR. LEWIS OF  
CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California: On page 19, line 9, strike "\$5,372,000,000" and insert in lieu thereof "\$5,272,000,000". On page 19, line 11, strike "\$4,572,000,000" and insert in lieu thereof "\$4,472,000,000". On page 19, line 15, strike "\$975,000,000" and insert in lieu thereof "\$875,000,000".

On page 28, line 20, strike "\$4,300,000,000" and insert in lieu thereof "\$4,600,000,000". On page 28, line 21, after "1999," and insert "of which \$300,000,000 shall become available for obligation on September 30, 1997, and".

On page 74, line 5, strike "\$1,320,000,000" and insert in lieu thereof "\$1,120,000,000".

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

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

There was no objection.

Mr. LEWIS of California. Mr. Chairman, this amendment restores funding for a very effective and broadly supported program known as the Community Development Block Grant Program. This amendment adds \$300 million to CDBG. The budget authority offsets are taken from two accounts; \$100 million is from the annual contributions account, and \$200 million from the FEMA disaster relief account.

As most of my colleagues know, the CDBG program is one of the most popular at HUD, for a variety of reasons, including the fact that it is the most flexible program.

I have received any number of requests to restore funding to the \$4.6 billion level which is the 1996 appropriations level as well as the President's request for fy 1997.

In addition, I promised the ranking member of this subcommittee, as well as members of the full committee in our discussion there, including the gentleman from Illinois [Mr. DURBIN], that I would continue to work to find offsets to fully fund CDBG. I am pleased to say that we are able to accomplish this at this time rather than waiting until conference.

This amendment being responsive to the work of my colleagues, especially



the gentleman from Illinois [Mr. DURBIN], I am happy to be able to say that we are keeping the first among a number of commitments to the members of the full committee.

Fulfilling this promise, however, has come at some cost. I was extremely reluctant to reduce the annual contributions account from the President's request of \$5,597,000,000 because of the staggering commitment that account will have to bear next year as more section 8 contracts begin to expire. Failing to renew these contracts will mean the potential of widespread displacement of very poor families with children, as well as elderly and disabled persons. This is the first point at which we will discuss that problem as ongoing and a serious growth problem with HUD programming. The renewal contracts under section 8 are about to put pressure on HUD programs that, over time, could indeed squeeze out many, maybe most, maybe even all of those programs, if we do not find a solution.

Beyond the section 8 question, Mr. Chairman, we are reducing the FEMA disaster account, which means reducing the level of commitments to areas hit by disasters last year. As most of my colleagues know, we found ourselves in a circumstance at the big budget conference where FEMA funding was used as a set-aside in that entire package, putting pressure on the FEMA accounts that is very severe.

We have to be very cautious as we move down this pathway. FEMA eventually has to pay the piper, too. So this is a very delicate and difficult amendment trying to meet both the requests as well as the challenges of the House insofar as CDBG is concerned.

Mr. STOKES. Mr. Chairman, I rise in strong support of the chairman's amendment to increase the funding for the Community Development Block Grant Program by \$300 million, and restore funding the fiscal year 1996 level. I am pleased that this amendment takes significant positive step to improve this bill. In fact, this issue is one of the most critical areas that I have advocated my support of since the subcommittee markup.

CDBG funds are necessary to maintain the infrastructure of cities throughout the Nation. Cuts to this program would have greatly hampered the maintenance and improvement of communities across the country. In my own district in Cleveland, OH, the city relies on these important moneys for revitalization activities. Without the full benefit of these dollars, the renaissance occurring there would be severely diminished.

Mr. Chairman, money from CDBG leverages even greater resources from State, local, and private sources, and has far-reaching effects upon the quality of life for residents in hundreds of cities and towns. I am pleased to support this amendment.

Mr. DURBIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to acknowledge as well that the gentleman from California offers an excellent amendment. In fact, it looks very similar to an amendment I was considering, and now I will not have to offer that amendment and give a very good speech in support of it, which I am sure would have won the gentleman from California over.

But I can tell Members that this effort to restore the \$300 million in CDBG funds is one that is bipartisan and it is one that is supported, obviously, at the Federal level by the President and by the administration, but I think of equal force, Governors and mayors across the country feel very strongly about the CDBG program.

Mr. Chairman, I received a letter from the mayor of the city of Chicago, Mayor Daley, recently elected head of the Mayors' Conference nationwide, and he made it clear how important these funds are for the city of Chicago. This block grant program will allow Chicago to fund programs as diverse as daycare, senior services, economic development, and housing.

I salute the gentleman from California for this amendment. I happily support it, and I am glad that we have come together.

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

Mr. DURBIN. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I want to take just a moment to commend the gentleman from Illinois for his leadership in this area. The gentleman, at the full committee level, had an amendment relative to this matter and had planned to offer one here on the floor. It is your strong leadership that has helped both the chairman and I to be able to work together toward this amendment sponsored by the chairman here on the floor. So I salute the gentleman for his hard work in this endeavor.

Mr. DURBIN. Mr. Chairman, reclaiming my time, I thank my colleague from Ohio, and I am happy this has become a bipartisan effort. It is a bipartisan program, it should remain that.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, we are happy to receive assistance from whatever corner of the Capitol we can find it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEWIS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: In the item relating to "DE-

PARTMENT OF HOUSING AND URBAN DEVELOPMENT—HOUSING PROGRAMS—ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING", after "\$5,372,000,000" insert "(increased by \$174,000,000)".

In the item relating to "INDEPENDENT AGENCIES—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—HUMAN SPACE FLIGHT", after "\$5,362,900,000" insert "(decreased by \$174,000,000)".

□ 1930

Mr. KENNEDY of Massachusetts. Mr. Chairman, this amendment I will try to explain very briefly. This amendment moves \$174 million out of the space station account and into the housing certificate fund at HUD. I would like to make clear that my intention for this money, if this amendment passes, should be used to fund 30,000 new section 8 rental certificates or vouchers.

Mr. Chairman, last year, for the first time in 20 years, this Congress turned its back on a 20-year bipartisan commitment to providing section 8 voucher assistance to millions of people suffering from severe housing needs. A recent HUD study shows that as of 1993, 5.3 million households live in extremely rundown housing or pay more than half of their incomes in rent, an all-time high.

These families are one illness, one bout of unemployment, or one unforeseen circumstance away from homelessness. Over 40 percent of those households are families with children and 75 percent are very poor. While this number has been growing, the stock of affordable housing has been dropping. In 8 years, from 1985 to 1993, the affordable housing stock fell by 425,000 units.

If it is true, Mr. Chairman, that an ounce of prevention is worth a pound of cure, then this modest increase in the incremental assistance will pay us back many times over as we stabilize families and prevent the horrible displacement and destruction that homelessness causes.

Additional section 8 assistance will go to many important uses that nearly everyone in the body can support. These rental certificates will be used to help get disabled people out of elderly public housing, and more quickly, and without the concerns that we will be throwing them on to the street.

Housing certificates have played an essential role in the health care of people with AIDS, people who are homeless and have AIDS, with a life expectancy of just 6 months, yet many of these same people could live productively for years if they had a stable home that this housing assistance could provide.

HUD has proposed a new initiative called Welfare To Work. This involves coordinated efforts among State welfare agencies, public housing authorities, and counseling organizations to help transition welfare recipients off of welfare and into work. Section 8 is a key component of this because housing is not often affordable to many of the people who are seeking these low-wage jobs.

Rental assistance, particularly mobile, tenant-based assistance, that enables a welfare recipient to move closer to a job and educational opportunities can help make this transition possible. For example, a majority of section 8 rental housing vouchers and certificate holders live in low poverty areas, where the poverty rate is less than 25 percent. This means that better schools and more jobs are available. It likely means that less crime will take place and there will be more stable neighborhoods. Everyone knows this is a better situation in which to raise children.

The Section 8 Program creates an environment for stability and for family. With a housing certificate, a family that is today paying more than half their income in rent can avoid the type of rent stress that leaves them in constant danger of falling behind or moving to avoid an eviction. Think about what happens to the children in these cases. Schooling is disrupted, friends are lost, everything that we take for granted for ourselves and our children and our grandchildren are out of the reach of millions of Americans.

Mr. Chairman, I understand how the space station has become sacrosanct, and I said in my remarks during the general debate that this entire bill is underfunded, but we cannot meet the most basic test of calling ourselves a civilized society if we cannot provide for our children, our disabled, and our poor with basic decent shelter. This amendment would help meet that goal in a small but significant way, and I urge the passage of this amendment.

Mr. LEWIS of California. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, as we discussed in our general debate, this is an extremely difficult bill that involves a combination of veterans medical care concerns and public housing concerns which are critical to the service we are providing many of the poorest of the poor. There are also a number of major issues that involve our scientific community, the National Science Foundation, NASA's work as well and the work of EPA.

When we have limited dollars, we tug and pull and attempt to balance between those accounts. In this case, and in a rather straightforward manner, my colleague from Massachusetts is suggesting that housing programs of a special form are of high enough priority that there is money available in our bill for NASA funding that he prefer to set aside and put into those housing accounts. I understand that relative priority.

HUD requested \$290 million for new incremental voucher assistance. Of that amount \$116 million was requested for assistance to families that became displaced due to changes in the project's status. The remaining \$174 million was requested in two new programs: \$145 million for a new initiative called Welfare To Work and \$29 million for a new initiative to provide rental assistance for welfare mothers with children.

The committee's recommendation reflects the position that HUD does not have the capacity to administer new programs. In fact, both the HUD Inspector General and the General Accounting Office has stated that HUD is an agency in serious disrepair. It was the committee's considered opinion that funding new programs was extremely unwise given HUD's poor past performance.

Furthermore, neither of these programs have been authorized by the housing subcommittee. In fact, the funding requested for incremental units to fund these new programs, in effect, creates two new Federal preferences, a policy which this Congress eliminated last year with the repeal of Federal preferences. Both housing bills sponsored in the House and the Senate specifically eliminate Federal preferences in favor of locally decided preferences.

This amendment should be opposed on the grounds that it is bad policy and it will result in appropriating an unauthorized program. Beyond that, we have given priority relative to human space flight within the NASA portion of this account. To essentially take that on head-on-head against housing programs not only does not reflect the priorities of the subcommittee, it frankly is dealing with NASA programs, from my perspective, in a relatively unfair manner. So I would oppose the amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentleman yielding.

I want to point out what we have seen happen in this appropriations bill over the course of the last year and a half. Last year we saw a quarter of the Nation's Federal housing project cut without a single hearing, without a single taking of any testimony by the authorizing committee. We then have seen this year an additional \$2 billion cut out of the Federal housing program.

I understand that the gentleman is under a great deal of pressure and these accounts are in vital need of new funds, but the truth of the matter is that given the structure that we have, where we have to offset either the space station or FEMA or the veterans in order to get the money for housing, it seems to me that we are sort of put between a rock and a hard place.

Of course people do not want to put the money into public housing. The only other major housing program we have is the voucher program, and that is why we have asked for funds to go into this voucher program.

I know the gentleman from California is sympathetic and knows a great deal about this issue, and the truth of the matter is that I believe the space station can take a \$200 million cut if the ultimate cut on Federal housing

dollars is over \$10 billion over the course of the last year and a half.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, let me say to my colleague, I know very well how sincerely he is involved in and concerned with these programs. Let me say that in the time that I have had the chance to chair this committee, it has been frustrating for me to see that we find ourselves appropriating some 250 housing accounts, billions of dollars flowing, and in many cases we wonder whether those monies are really getting to the people we purport to serve in the first place.

We are in the process of attempting to reexamine many of those appropriations. Indeed, we are looking forward to leadership and guidance from the authorizing committee when they finally get all of that together. In the meantime, we are asked to appropriate. It seems to me we should be very careful about examining existing programs that work versus those that are not working well before we move on to funding new programs.

Mr. Chairman, I urge a no vote on the gentleman's amendment, even though well intentioned.

Mr. VENTO. Mr. Chairman, I move to strike that last word.

Mr. Chairman, this amendment is a good one and I'm pleased to join Representative JOE KENNEDY of Massachusetts in offering it. It will shift funds from the space station to about 30,000 in new section 8 housing assistance. Such a switch would be a better use of public dollars for the public good.

A couple of years ago, I had the privilege of chairing a task force on homelessness. So much of what we looked at was how people became homeless. We found that in order to really be successful in ending homelessness we needed to get upstream of the waterfall; to do real homeless prevention with housing and other utility assistance. Without new section 8 assistance, we are not addressing the stream at all. The section 8 units would result in assisted private sector housing vouchers that otherwise would not be available for housing low income families.

Some 5.3 million Americans are in "worst case" housing situations in our country. Those are people on the precipice of becoming homeless. In the Twin Cities of St. Paul Minneapolis, 43,700 people are "worst case" in terms of their needs. For the predominant majority of them, affordability is the problem: meaning excessive rent burden. Section 8 assistance is about bridging the gap between affordability and worst case housing—or sometimes worst worst case—homelessness.

Mr. Chairman, reducing the space station from \$5,362,000,000 by 3.2 percent and instead providing 30,000 tangible units of tenant-based assisted housing to the needy in our Nation is a common sense and balanced approach. Certainly, I'm no fan of the space station because I believe that a project of this nature ought to be rooted in the

reasonable application of science not merely the space spectacular genre that has come to dominate NASA for the past three decades. The space station has symbolic value but the practical applications are a real stretch with little positive return for the public purpose and the common good.

It is clear that the enthusiasts for such projects have long ago lost touch with down to earth common sense. They are in outer space for certain when it comes to our Federal budget priorities. The least we can do is to adequately house the low-income people in this Nation and while section 8 assisted housing is not a perfect program, it's the only program with a chance of helping. This Congress will have no new units for section 8 absent this very modest Kennedy-Vento amendment.

I urge my colleagues in their zeal to conquer space not to use the homeless as rocket fuel. The space program and especially this 10th version of the space station may yet get into orbit, but let's not forget the folks upon whose shoulders you are standing—the taxpayers. The cost being paid and scarce dollars allocated for this space station program are not solely about research and new knowledge but rather development, training, and operating costs which are being borne by the Federal Government, not the market place. In many respects this program represents just another type of subsidy, another type of dependency. One I would suggest that flows to the few and the power elite in this Nation. Our constituents have little direct benefit—the jobs produced are few and far between and when the project is all done, its likely to be more in competition for attention and bragging rights with Steven Spielberg than the real research and science that advances the welfare of people.

I argue that we should the market place work for the space station. We as a Nation and Federal Government have real limits and must make tough choices. These choices must be rooted in real need, not the development and expenditures based on space toys but the boys and girls, the children, the poor and the homeless that perceive the indifference and the careless priorities.

Today, the Federal Government can not do it all. Our responsibilities and wish lists are out of balance and out of order. Clearly Federal tax dollars and expenditures for housing of homeless persons or any low-income persons must be dealt with a priori—far ahead of the capricious curiosity inspired together by the self-interested and self absorbed.

□ 1945

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am grateful to my colleagues from Massachusetts and Minnesota for offering this amendment

because it gives us a chance to make a point that must be made again and again. The debate that is now taking place in this Congress is not over whether or not to reduce the deficit and get to a balanced budget. The debate is over how we do that, what choices do we make.

What is being proposed in this overall budget is a continuation of the assault on the notion that the Federal Government should help people in economic distress with housing. What this amendment would do would be to make a fairly small reduction in the space station so that we can provide desperately needed assistance to working families to lower-income wage earners and their children, particularly those who live in parts of the country where housing is a very expensive cost.

We know that there are in this country millions of people who work very hard every day at difficult jobs. They clean. They manufacture. They serve, and they work at low wages. What this amendment tries to do is to reach out to tens of thousands of families, not nearly enough but at least something, and say to them that we will make it a little easier for them to live.

What is the alternative? It is the space station. Now, having people living in outer space serves some useful psychological and scientific purposes. But the choice is precisely whether we will spend billions of dollars so a few people can live in outer space in relative comfort or if we will use some of that money, a small percentage of it, for hard-working people so hard-working people and their children can live here in minimal comfort at home.

Let us be very clear. Members can decide this is a bad idea, that sending this money into space is more important. But let us be clear what the opportunity cost of that is, in economist terms, what do we do by keeping that money in the space station. This is beyond dispute. Will we say to tens of thousands of Americans, you will continue to live in great deprivation and poverty, because that is the option. We can increase the number of people who receive housing assistance or we can say, no, not that important, sorry about that.

Remember, we are talking here about units that are available for families. We are talking about poor children. We are talking about all of the values that get a lot of support in principle from Members in this House, but tragically little in practice. That is what is served here.

We are not even talking about building new units. We are not talking about putting Government back into the business of constructing public housing. We can talk about that at other times. This is the privatized program. The section 8 program is one whereby this is for tenant-based, as we call it. This would give to individual families the ability to go out into the private rental market and pay no more than 30 percent; I think it is still 30

percent. I do not know. Did we raise that percentage lately? We have this tendency to raise the rent percentage. The last I looked it was still 30 percent. It may be going up.

But for these poor people, even if we get it up to 35 percent or whatever the latest ploy will be, it is still very, very important. So that is the choice.

This has nothing to do with balancing the budget. This has nothing to do with reducing the deficit. Those issues are neutral here. The question is this: Do you maximize the speed by which we have a few people living in outer space when that means that tens of thousands of working poor people, people who labor hard, who do everything you tell them they are supposed to do, but find because of circumstances beyond their control that they are not able financially to live as they should?

Do we condemn their children to substandard and unsafe housing conditions or do we take a small percentage away from the space station? Maybe it takes them a couple of months longer to get there, and instead make a very real difference in the lives of the working poor?

I do not think we will have in this budget season many more graphic choices between people whose values are somewhere out beyond the limits of the atmosphere and those of us who are concerned that working Americans here ought to have some compassion and some concern.

Mr. LAZIO of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to speak to this amendment because it is something of great importance in terms of our housing policy not just this year but in the years ahead. We have had a great debate on the floor of this House about the tools that should be made available to local communities in order to react to their own local problems, in order to craft local solutions for local problems and give them the flexibility that they need to move ahead.

We have talked about bringing hulks of buildings down. The only way you can bring hulks of buildings down when there is residents inside is if you give them the ability to move out. The only way to do that, to bring meaning to people's lives, is by extending incremental assistance.

I would like, if I can, to enter into a colloquy with the gentleman from Massachusetts with respect to this matter. If I could ask the gentleman, is it his intention in moving money to this account that it be targeted to incremental assistance which is also known as vouchers and certificates to most of us?

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, that is absolutely the purpose of this amendment. I want to

thank the chairman of the Subcommittee on Housing and Community Development for speaking in favor of this amendment.

I do think that it is very, very important and the point the gentleman makes is excellent, that we have spent far too much time talking about and condemning public housing when the solutions that the gentleman so articulately made on the House floor a month ago, when we discussed the authorizing bill, came down to the fact that we need, if we are going to shut down that housing, we are going to need to move people into assisted housing.

This is the assisted. This is not public housing, this is the assisted housing account which will allow people the flexibility that has been called for by so many of the, even the most innovative right wing think tanks of this country have called for this kind of housing policy.

I appreciate the gentleman, my friend from New York's endorsement of this amendment.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, I thank the gentleman. I also would note that the House has expressed its will on incremental assistance in a vote of 315 to 105 or 107 overwhelmingly supporting 2406 which has authorized incremental assistance moving forward.

For that reason, because the House has expressed its will and because of the need for this incremental assistance to give meaning to people's lives, to provide for hope not just for individuals but for communities, I support this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, this amendment indicates the difficulties that someone such as myself is placed in with regard to trying to balance the budget within the context of one particular appropriation bill. Everything that the last four speakers have said, the gentleman from Massachusetts, Mr. KENNEDY, the gentleman from Minnesota, Mr. VENTO, the gentleman from Massachusetts, Mr. FRANK, and our distinguished colleague on the Republican side, Mr. LAZIO of New York, I agree with. We need these additional funds to provide the kind of assistance to the needy and the homeless of this country that we, as a great country, ought to be providing.

For me the problem is that I have spent the last 30 years trying to protect the scientific base of this country including the programs in space, which were the brainchild of a great President by the name of Kennedy. This amendment tears me apart because it seeks to meet a need I agree with by taking money from other programs I believe to be vital to our future.

We cannot balance the budget and provide for all of the social programs

and the housing programs, the veterans programs, that are needed if we only look at this one bill. I must oppose this amendment because I think that it is impossible to achieve its objective within the narrow scope of this one appropriation bill.

To begin with, the amendment proposed, a modest \$174 million, which is reported to be a small fraction of the cost of the space station, is actually about a 10 percent cut in the 1997 budget of the space station, which is about \$1.8 billion. This is a very substantial fraction of its budget. It is not a small fraction.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, my understanding is that, first of all, obviously the space station over a period of years is a 50-plus-billion-dollar program; is that not correct?

Mr. BROWN of California. Mr. Chairman, it depends on who one's accounting adviser is.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I will use the gentleman.

Mr. BROWN of California. Mr. Chairman, the cost of the construction of the space station is nowhere near that amount, but to build it and to operate it for *X* number of years could reach that amount, depending on the number of years of operation we want to count and what programs we include in the operation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I thank the gentleman.

Mr. BROWN of California. The gentleman's amendment is not actually directed at just the space station. It is directed at the entire human space flight agenda, which is over \$5 billion. And that means the space shuttle as well.

If we take proportionately from each one, we endanger both programs. We endanger the ability to complete the space station, even though the cut is relatively minor. We endanger the safety and the success of our space transportation system, which is a matter of great importance to all of us. It is already operating at the margin and all of its reserves are being stretched thin.

If Members want a really good comparison, let me suggest that they compare the amount the gentleman is proposing, \$174 million, with the additional amount that is in the defense budget above the President's request. That amount is about \$12 billion, and the \$174 million cut in NASA would amount to about 1.5 percent of the increase in the defense budget above the President's request.

In my opinion, if we were rational, we would make a small cut in the DOD's \$12 billion increase above the President's budget request, and use that amount to provide for these important programs for poor and the needy. I would look at it that way. I would support an amendment which was designed to do that.

Unfortunately, we cannot address that kind of an amendment in connection with the bill that is before us here. This is why I have to express my admiration for the balancing act which has been done by the distinguished chairman of this committee with the help of the ranking member.

But it would be to me extremely inappropriate to endanger an enterprise such as the space program, which has evolved over many years, by cutting it to the level where its successful completion is threatened.

I could recite what this failure to complete the project would do to the United States as a world power. But in the interest of time, I will revise and extend my remarks.

□ 2000

Mrs. MALONEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by my distinguished ranking committee colleagues, the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from Minnesota [Mr. VENTO], to provide \$174 million for new section 8 rental assistance contracts. There is so much talk in this Congress from both sides of the aisle about moving people from welfare to work, but if we deny people the tools to make the transition, we decrease their chances of making the move successfully.

We all know that in real dollars housing costs have skyrocketed in the last two generations. That makes it tougher for people who are trying to work their way up the ladder. There are 5.3 million Americans; many of these people are working poor who are paying more than 50 percent of their income in rent or are forced to live in substandard housing for lack of any alternatives. Many of those Americans are young children who are at a greater risk for a host of health and emotional problems, and with these harrowing problems right at our doorstep, only 28 percent of families eligible for section 8 actually receive it, and the average time on a waiting list is 40 months. In New York City it is years.

Decent housing is not a luxury, it is a necessity.

So, Mr. Chairman, this is not the time to back away from a 20-year bipartisan commitment to provide new section 8 rental assistance contracts, and I am pleased that the chair of the subcommittee, the gentleman from New York [Mr. LAZIO] has joined us in support of this amendment in a bipartisan spirit. I urge my colleagues to join in this effort to continue it.

Mr. Chairman, I would just like to end by saying that we are spending multibillions for space station, a motel in the heavens, and we do not have money here on Earth for affordable housing, so I certainly support wholeheartedly this shifting of funds from a motel in space to needed housing here on Earth.

Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. KENNEDY], my colleague and sponsor of this amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentleman from New York [Mrs. MALONEY] yielding.

First of all, I want to again thank the ranking member of the committee, the gentleman from Ohio [Mr. STOKES], for the efforts that he makes in trying to make sure that we do end up with some money going to the housing programs of this country, and he has been a great leader on those issues for so many years, and all of us on the authorizing committee appreciate the help and assistance he and his staff give us on these issues.

But the truth is, on this issue it is black and white; it is just so clear what the issues are. The issues are whether or not we are going to balance the budget by gutting the homeless by gutting the housing policies of this country, or whether we are going to stand up and say that the biggest institutions, those that receive all the defense money in this particular case, and I know my friend, the gentleman from California [Mr. BROWN], does well in trying to defend this as a science program, but the truth of the matter is that we have got to have some sense of compassion towards the poor.

Mr. Chairman, this budget has cut \$10 billion out of the budget for assisting those poor and vulnerable people in this country with their housing needs. We have done it without any sense of what we are going to do when these people become homeless and they exist on out streets. Where are they going to live? Who is going to pick them up?

Housing is not being built for poor people. We are not providing programs to incentivize private landlords to build the housing, we are not giving the money to public housing, we are gutting homeless programs, and now we are gutting the assistance programs. That is it. There is nothing left.

We can talk about 270 programs being in the budget, but all those programs come down to specific programs in three different areas: public housing, assisted housing, and this particular kind of housing that serves the homelessness.

Now, if my colleagues ask me, it is important that this country maintain some kind of basic social compact. This budget, this minor proposal, is a step in the right direction. The chairman of the authorizing committee supports it; I as a ranking member on the authorizing committee support it. We have cut too far, too deep in the areas of assisted housing, and I plead with the Members of this body to please make sure that we do not abandon the housing needs of our country.

I understand it is a tough vote with regard to standing up to the space station, but my gosh, let us not find ourselves in this choice between the devil and the deep blue sea. Let us stand up

for the housing needs of the people of America.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The amendment was rejected.

Mr. LEWIS of California. Mr. Chairman, shifting gears here just a moment, I ask unanimous consent that the gentleman from Massachusetts [Mr. KENNEDY] be permitted to offer amendment No. 27, notwithstanding that that paragraph of the bill is not yet considered as read and without prejudice to further amendments to those paragraphs not read in title II of the bill.

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

There was no objection.

AMENDMENT OFFERED BY MR. KENNEDY OF MASSACHUSETTS

Mr. KENNEDY of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KENNEDY of Massachusetts: In the item relating to "DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—COMMUNITY PLANNING AND DEVELOPMENT—HOMELESS ASSISTANCE FUNDS", after "\$823,000,000" insert "(increased by \$297,000,000)".

In the item relating to "INDEPENDENT AGENCIES—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—HUMAN SPACE FLIGHT", after "\$5,362,900,000" insert "(decreased by \$297,000,000)".

Mr. KENNEDY of Massachusetts. Mr. Chairman, this amendment restores \$297 million to the homeless budget, making it fully funded. These homeless programs, known as the McKinney programs after a former Republican Member of the House, were cut by 27% in the 1995 rescissions bill.

The amendment will make over 10,000 additional transition housing units available; over 10,000 additional units of permanent and supportive housing available; and assist about 80,000 more homeless people at any one point in time.

Mr. Chairman, there is something a little strange going on here. Last year, we cut 25 percent out of the housing budget without so much as a single hearing. This included funds to run, rebuild and revitalize public housing. It included funds for new rental assistance contracts. It included funds for elderly housing and the disabled.

At a time when every study shows that the need for affordable housing is getting more acute, this Congress cut the programs to create that housing to shreds.

Then, when we have pulled the rug out from under poor Americans by cutting public and assisted housing, including working poor families, we now go and cut the homeless budget by 27 percent.

And the need for the McKinney programs is getting more serious. Between

1985 and 1990, up to 7 million Americans experienced homelessness, while about 600,000 people lack permanent shelter on any given night.

In 1995, demand for emergency shelter has increased by over 10 percent according to the annual survey of the Conference of Mayors, yet 20 percent of these requests must go unmet due to lack of resources.

When services are available, in 64 percent of the cities surveyed families have to be broken up to be served. That is not family values.

Yet, we know what works. The McKinney programs provide a vast array of services to the homeless, including emergency shelter, transitional shelter, permanent housing, job training and education, substance abuse treatment, and whatever else is needed to move people off the streets and into stable, permanent housing with the jobs necessary to pay the rent.

I would bet that any Member in this Chamber can go back into your communities and find your own success stories. In Boston, we have a program called IMPACT, funded in part by McKinney, which just placed its 500th homeless person in a job since 1994. The homeless have an 80 percent job retention rate and the average wage is \$8 per hour.

In the past 3 years, the McKinney programs have delivered more housing and homeless service more cost effectively than at any time in the past. Local governments and non-profit providers served 14 times the number of people in 1995 with these programs than were served in 1992, but at only 2 times the cost.

Two reports evaluating McKinney programs show that they help the severely mentally ill achieve stable lives in supportive housing 83 percent of the time. This cuts their inpatient hospital use by 50 percent.

When we cut homeless funding, we are condemning tens of thousands of families with children to lives of desperation and hopelessness.

Homeless children suffer from worse health; being homeless means a child is twice as likely to suffer from upper-respiratory infections, gastrointestinal disorders, and other health problems.

Homeless children suffer from inadequate medical care even before they are born. A study of New York City pregnant homeless women showed that 33 percent received no prenatal care. Infant mortality is more than double the city's average.

Homelessness means a child is much more likely to suffer from hunger: 43 percent of 1- and 2-years-olds living in New York City shelters suffer from iron deficiency or anemia.

HUD has made homelessness a top priority. They have streamlined and improved the delivery of homeless assistance by urging local governments and non-profit providers to coordinate their efforts to provide a "continuum of care" that addresses all the needs of the homeless to get off the streets and become self-sufficient.

We know what works. All we need is the will to provide the funding. Support this amendment. Help fight homelessness.

Mr. LEWIS of California. Mr. Chairman, I rise with great reluctance to oppose the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

Mr. Chairman, during the time I served on this subcommittee, one of the most frustrating experiences of this Member has been to watch us go forward in a variety and mix of programs under the jurisdiction of this bill that deal with housing problems in the country. Indeed, within that mix we have progressively delivered a great deal of money to a problem that has been mushrooming in communities across the country that we give the title and handle "the homeless of America." In the last decade, we have committed over \$10 billion to solving this problem, and it is presumed by many that the problem has to do with bricks and mortar alone.

Indeed, Mr. Chairman, the homeless problem is a major challenge to our society and a difficulty that we need to get to the heart of by many an avenue, not just by way of building facilities or finding locations for people we choose to define as homeless.

The committee, in this bill, has recommended funding for the homeless account for fiscal year 1997 at the 1996 enacted level of \$823 million. Last year the committee followed the request of HUD to consolidate the four separate homeless accounts into one account. This consolidated account makes it possible for HUD to operate more efficiently, hopefully.

Additionally, consolidating the programs enables the nonprofits that supply homeless assistance to do so with greater efficiency.

Certainly it is almost impossible to argue against increased funding for the homeless when we see people sleeping on grates in our parks and cities around the country. At the same time, all of us oftentimes lightly talk about the fact we just cannot throw money at problems. Indeed we have very few answers here. We have delivered a good deal of money and found little or no solution to this growing difficulty.

I would suggest that this is a part of our need to review this complex problem. The committee continues with its financial commitment. There is funding here that is of part of the delicate balance that the gentlemen from Ohio [Mr. STOKES] and I had attempted to put together. To suggest that anyone in this body who has looked on either side of the aisle could care less would be indeed more than a mistake. We do care, and indeed, working together, I think we can find solutions.

But we need to do a lot better than we have with the money we have spent so far, so I urge the gentleman from Massachusetts [Mr. KENNEDY] to be patient with us as we go forward.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentleman's words, and I would never suggest that the gentleman from California [Mr. LEWIS] would be callous towards the homeless, and I know that the gentleman has tried hard to meet the need. But, I say to the gentleman from California [Mr. LEWIS], let me point out that there are solutions to homelessness. Homelessness is a problem that we have largely created as a result of Federal policies. If my colleague looks, in the last years of the Carter administration prior to the time when there was the kind of homeless population that we see living on our city grates and the like, he will find that this country under—I mean if the gentleman was here at the time—providing over 300,000 units of affordable housing each year for poor people.

We have not built that housing, and if we look at the total number of housing units that we have not built in this country over the course of the last 15 years, it coincidentally happens to add up almost exactly to the estimates of the number of homeless families.

□ 2015

Yet, despite that, given the resources that the gentleman has allowed to go into these issues, we have now seen a much more sophisticated antihomelessness effort created across this country that has done remarkably well at getting people out of homelessness and into jobs and becoming productive citizens. This is a problem where solutions do work, if we are willing to pay for them.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, let me say to my colleague that I believe that there are public policies that have begun to have an impact on these subject areas, but I also believe very strongly that a portion of the problem stems from public policies that have gone awry.

I must confess that I was a part of an effort in California some years ago in the legislature to deal with a social problem that we saw as very real. There was a propensity to institutionalize people in California and other States who had difficulties, emotional difficulties, some alcoholism and otherwise. There was a pattern of institutionalizing people.

The goal of the legislature was to make it difficult to institutionalize, let people go back to their communities and their families, to build clinics to solve their problems. We deinstitutionalized in California but we failed to follow through on medication and clinics, et cetera. States across the country have followed our suit and suddenly, homelessness became an even greater problem.

Mr. VENTO. Mr. Chairman, I rise in support of the amendment.

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

Mr. VENTO. Mr. Chairman, I would just follow on with the gentleman. I appreciate it. It was the right decision, incidentally, to deinstitutionalize. I as a State legislator had to face the same programs with the SLICK programs and others that have been put in place, which have not been adequately funded through the various programs. Yet, again, this Congress is not facing up to that funding issue.

I would suggest to the gentleman, Mr. Chairman, having worked with the gentleman from Massachusetts, Mr. KENNEDY, and others on this problem for many years, having actually named this program after my colleague from Connecticut, the McKinney Act, and the good work that was done by one of the gentleman's predecessors, Eddie Boland, and the gentleman from Ohio, LOU STOKES, in terms of the FEMA moneys, very often it is pretty hard to tell whether someone is mentally ill and on the street for that reason or mentally ill because they are on the street.

I remember very prophetic testimony concerning a sociologist, Louisa Stark from Arizona, commenting on the phenomenon in terms of what it means to be placed on the street without even shelter over your head, and the stripping of the dignity of people in our society. This problem is one that cannot stand.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, I appreciate very much what the gentleman is saying. I remember, however, many pictures on television in the winter in California, where we sent out moving vans to pick up people from the cold who were homeless. They ran away from the vans because they were worried about being placed in an institution.

There are many complications here. The answer here is, one more time, more money taken away from NASA programs that my colleague, the gentleman from California [Mr. BROWN], spoke so articulately about earlier. It is not a fair tradeoff. We are trying to achieve balance here. Indeed, I think we have met a balance. But the solutions are a way off. I would urge that we work together.

Mr. VENTO. Reclaiming my time, Mr. Chairman, I would just suggest to my colleague that this, indeed, is a fight between David and Goliath. I crossed that out and said no, it is a fight between the ordinary Joe and the NASA labyrinth. It is not a blame game in terms of whose fault it is, it is a phenomenon of the social and economic casualties that are occurring in our society. This problem did not exist in the early 1970's, and it does exist today. We need to address it.

They may have run away and they may not care about themselves, but I think as a society and as the values that we hold as a people, we care very

deeply about people who are in such a state of despair, who are ill and have these problems. We really cannot accept that. I cannot accept that as a person, as a policymaker representing my district, and I am sure it is the case for many of us. This particular measure we are talking about here helps the poorest of the poor. If we do not have the money, I think the proper priorities really do fall in this direction. I am no fan of the space station.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will continue to yield, I certainly do look forward to working with the gentleman and the other members of the authorizing committee as they go forward with their work. Indeed, we need action by the authorizing committees to help us better get a handle on the policy directions we ought to be taking if we are spending this money. But the gentleman's point is appreciated.

Mr. VENTO. I appreciate the chairman's response to my support for this. I would just suggest, we have done a lot of work on this. This is a bottom-up program. This is built on the nonprofits and local governments that are providing it. It is leveraged money. It is those particular agencies, I would just tell my colleague and others that are listening, that in fact, they are operating on overload today. For this century and the past they have been able to afford some shelter to those who have been without shelter, but they are operating on overload today. They are working very hard.

These dollars are leveraged. They are essential moneys that are trying to meet the very basic human needs in our society. While we can find imperfections in many programs in terms of housing, the last amendment which was considered would have been upstream. Clearly, if we can keep people off the street, we can deal with it.

One of the problems with housing, quite frankly, is the convergence of myriad problems that are coming to HUD dealing with health care, dealing with education, dealing with social disorder and crime, and all of these mental health problems, these income problems that are occurring. But once those persons are on the street, the problems are compounded many, many times over. That is why we need to work to prevent homelessness where we can, to restructure our programs, to take those scarce dollars.

We are at a point, and these are tough choices that have to be made. These are tough choices. But I feel we just made the wrong choices in terms of these priorities, quite frankly. I think we need to challenge the space programs and the development of projects specifically in terms of marketplace terms of application when we have these types of choices. If our economy is not growing at the rate we should, then we are facing that we cannot do everything for everyone. We cannot do the type of subsidies and types of issues. Yes, we can do science

and basic research but we have to have a new policy.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. VENTO] has expired.

(By unanimous consent, Mr. VENTO was allowed to proceed for 2 additional minutes.)

Mr. VENTO. Mr. Chairman, we have a new predicate in terms of how we move in dealing with this issue, but not on the backs of the homeless. This particular amendment would help 100,000 people that are homeless. It is an enormously important amendment to try and provide the funding, the leverage, for the private sector, to empower those people towards self-sufficiency and out of a dependency.

We do not accept the predicate that somehow these people are homeless by choice. What a choice. Some choice. To leave people in despair of that nature I think is simply not akin to our values. When we look at space station development and other programs related to man in space, and look at \$5.3 billion, the homeless program is only 20 percent of that amount. Where are our priorities? If we have to make tough choices, let us not make them and take them from the poorest of the poor.

I think if we look at the other subsidies, the tax breaks the private sector and others receive in terms of these types of subsidies, we have to reorganize this. We do not have enough to do it all, and we are not meeting the very basic needs of people in our society, and therefore I think we have a right and a responsibility to expect others that are engaged in this type of development of science to do it.

I am a science teacher. I very much advocate the position in terms of science, but I also understand that fundamental to that is that we do not stand on the shoulders of the scientists that come before us, we are standing on the taxpayers' shoulders. We are standing on the shoulders of those who are homeless, that do not have a job, that need the type of help that is being proffered by the Kennedy amendment in this issue. We have to get that done.

I know the gentleman has made tough choices, but fundamentally I must raise this particular question as a core value, a core value of the American people, who will not accept the type of problems that we have with people on the streets of this United States and this Nation in 1996.

Mr. Chairman, this amendment is a little like David versus Goliath or should I say an ordinary Joe versus the N.A.S.A. Labrynth—the homeless versus the space station. It will simply restore McKinney homeless assistance dollar levels to the pre-rescissions, fiscal year 1995 level. Help for the poorest of the poor, those without a roof over their heads.

Most of our nonprofit groups in our communities are operating on overload, and yet so many policies, actions, and events continue to shift more responsibilities and costs to them. Unless the Federal Government steps up to the plate and does the very best that we can, State and local governments, and other enti-

ties struggling with shelter needs will be overwhelmed.

HUD, despite all the criticism and congressional failure to restructure the McKinney programs, has served as a lifeline and a leader with regards to responding to homelessness. What they have done within their limits is encourage comprehensive homeless assistance plans in local communities and a streamlining of the programs themselves. Last year, for the 1996 appropriation we were told it wasn't a cut because of money in the pipeline, now the amount remains unchanged, with different excuses and a dry empty pipeline.

If passed, the Kennedy-Vento amendment will make over 10,000 additional units in transitional housing available; over 10,000 additional units of permanent supportive housing; and, about 80,000 more homeless people at any one point in time that will be assisted. In other words, help 100,000 homeless Americans.

It is a sad commentary that homelessness persists, but the McKinney programs have been a good use of scarce Federal funding, leveraging meaningful local matching resources and private sector nonprofit funds. The homeless programs work and are vitally needed by people in this Nation who land outside the bounds of our social safety net of limited Federal-State resources. As a grass roots program, McKinney funds represent a cooperative Federal approach building on nonprofit and local government initiatives and programs, in some cases with personnel in place. These empower those in need toward self-sufficiency and free them from dependency.

The opposition to this amendment will lament that while these homeless programs are worthy, that indeed, the appropriators had hard choices to make and no doubt commitments to keep, and that in the process of balancing the budget and priorities, the space station must have a bare bones minimum of \$5,362,900,000 and the homeless, a whopping \$823,000,000.

Mr. Chairman, we are all likely fans of science and discovery. Certainly as a science educator I share that interest. Many of us want the Federal Government to play an active role in support of cutting edge science research. But this amendment would only bring the homeless programs to about 20 percent of the space station which will still be funded at over \$5 billion. The question really is how much more do we need to support the private entrepreneurs in space in funding dollars, in generous tax breaks, in tangential benefits from significant military and commerce spending and in SBA programs for the smaller scale. Beyond this, there is the issue of foreign investment and, of course, the private sector.

I suggest that its far more likely that private funds will be attracted to the space station than to housing the homeless, indeed the economic and social casualties in our society represent the greatest challenge to our Nation. The frontiers of space are hardly wrapped up with the space station but the values and conscience of this Nation are surely tested by the least among us, the homeless. The vote I ask you to cast today is for the dispirited people who are too important to abandon. Our responsibilities and priorities should be clear. Vote "aye" on Kennedy-Vento amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I thought there was to be a speaker on the other side. I misread his body language and I apologize.

Mr. Chairman, I very much support this amendment. I understand the frustration that the gentleman from California talked about. He is trying hard, it is true. There is nothing logical that says we will take the Department of Veterans Affairs, the Environmental Protection Agency, NASA, and HUD and throw them together. That is not rational and we should try to change it. But I have to be intellectually honest and say that if I had the whole budget to choose from, I would still look to the space station, particularly the manned space part.

Sending human beings into space is a reasonable thing to do, it is something in which we can take pride. I have never heard any argument that it was close to a necessity. We are not talking about continued exploration of space, but whether or not we have the manned space operation.

On the other hand, we have what I would hope this society would think is a necessity: alleviating the suffering of small and innocent and helpless children. The homeless are not always the most attractive people. When we think about the homeless, people think of some whose behavior is unfortunate. It is true, there is nothing about adversity that guarantees that you will not be obnoxious. But a significant percentage of the people who would benefit from this amendment made one mistake in life: they were born in the wrong circumstances, and they are children. They are children condemned to a terrible existence. This amendment would alleviate it somewhat.

Mr. Chairman, I want to address some of the reasons that have been given, not by the gentleman from California, because even when I disagree with him I find him fair and thoughtful, but here are arguments that say, you know, these programs, they have not been run well, so let us not give them money. As opposed to the space program? If we were to do comparative disasters, problems, misspending, I think the manned space program would be right up there with the homeless program.

We have this interesting intellectual divide in our public policy. If you are trying to help the poor and you make a mistake in the program, the answer is to give that program less money. But is you are building a space station, or a weapon, or if you are part of the intelligence agency and you screw up badly, then the answer is to give you more money. We are told, gee, money is not always the answer. Well, money is the answer, apparently, for the Defense Department, for NASA, for the politically favored departments.

The notion that because we have not spent some of this money as wisely in the past as we should have, we will therefore make it right by denying funds that can go to alleviate the misery of 10- and 12- and 5- and 4-year-olds, totally escapes me.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I want to say to my friend that while these are very difficult areas, I think the gentleman will agree and acknowledge that the administration very strongly supports NASA's work as well. NASA has been a leader in re-inventing and reforming Government. Since 1993 NASA has reduced its budget requirements through the fiscal year 2000 by \$43 billion. So the charge by some that NASA has not contributed to balancing the budget does not reflect what they have tried to do. The tradeoffs are tough, but that is what this bill is all about. We have tried to do a decent job.

Mr. FRANK of Massachusetts. Mr. Chairman, let me say to the gentleman, do not take it personally. He is a good fellow. He has done a decent job. But that is not enough. I think where we have poor children going without desperately needed services, our egos have to bend a little.

As far as the administration is concerned, I am sure the administration may have somewhat different priorities. I don't accept them in this case. As far as NASA giving up \$43 billion, do Members know what you have to have before you can give up \$43 billion? A lot more than \$43 billion. I wish the homeless could have given up \$43 billion, but they never got that much to give up. The poor people never make budget sacrifices like that because their budget never gets so stratospheric.

The fact is that we have a choice: Do we put human beings in space at the current schedule, as attractive as that is for the national psychology and the national morale, and as helpful as it will be for science, or do we put the first priority an alleviating the poverty here at home?

I want to add another argument that was made. One argument was these programs were not well run so let us take the money away. Another is that private charity will do it. People argue that private charity can do it.

I want to quote here from the National Conference of Catholic Bishops in that wonderful pamphlet they put out about this year's election issues. This year I do not agree with all of them. There was one point that I thought was essential to be made.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. FRANK] has expired.

(By unanimous consent, Mr. FRANK was allowed to proceed for 2 additional minutes.)

Mr. FRANK of Massachusetts. Mr. Chairman, they noted that the Catholic Church is, by far, the largest provider of private charity in the United States. Based on that experience, and out of the compassion and concern for social justice that motivates them to do that, they repudiate the notion that

there is no need for Government assistance.

Let us be very clear. We may not comfort ourselves when we think of the small children who will be denied services if this amendment is defeated by the notion that somehow private compassion and charity will take it up. Yes, we should be doing everything we can to encourage that. But, as the Catholic bishops pointed out, as the largest provider of private charity in this country, there is simply no way we can expect the gap to be repaired if the Government backs out to this.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Minnesota.

□ 2030

Mr. VENTO. I appreciate the gentleman yielding, because if we went on a current services budget since 1981 when housing was cut, it was at \$30 billion a year at the time, we would have a \$2 trillion cut in housing. Now, was all of that cutting wrong? No, but it is \$2 trillion.

Mr. FRANK of Massachusetts. I would correct the gentleman on one thing. Remember, when we take programs for the poor and we do not keep them up with inflation, that is not a cut, that is an increase. It is only a cut when we fail to give an inflationary increase for the military and for science and for agriculture.

So the gentleman should be clear. When the poor people fail to get enough money to keep up with inflation, they should be grateful for the little we gave them in the first place. It is only when the military or science or those other favored programs do not get inflation that an increase is a cut.

Mr. VENTO. Mr. Chairman, if the gentleman would continue to yield, I would just point out that the bill is \$19 billion in 1997; we were spending \$30 billion in actual dollars. So even on those terms, however we want to add it up, if we do not want to do it on current services, it still is a significant reduction.

Mr. FRANK of Massachusetts. Mr. Chairman, I would agree.

Let me just say in closing that this amendment, if it is defeated, is one more sign that compassion, that concern for helpless, innocent children has simply gone politically out of fashion. We will be inflicting, if we defeat this amendment, misery and deprivation on children who deserve far better of us.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, may I say to my good friend, the gentleman from Massachusetts [Mr. FRANK], that I do not want him to take any of what I say personally just because I am opposed to his position, or the gentleman from Massachusetts [Mr. KENNEDY] or the gentleman from Minnesota [Mr. VENTO] or any of the others.



Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I am not a homeless child, so I do not take it personally.

Mr. BROWN of California. I thank the gentleman.

Mr. Chairman, as I look around, I do not see anybody on this floor who has spent more time over more years than I have fighting for the rights of the poor and the homeless, the deprived, those who are discriminated against. I have supported every program since 1963, and there are a half dozen who have been here longer, but I do not see any of them on the floor.

I do not think that my credentials in support of all of these programs can be questioned. I think I am also free to say that most of them have not achieved their goals, unfortunately. I think that what is being proposed here tonight is an effort to see another great program aimed at showing that this country is a world leader in a number of fields of science. I think that we are going to see this program fail if this amendment succeeds. It is only a 15-percent cut, as the gentleman said, in the space program or the space station, if you apply it to the space station.

I can assure the gentleman that he would be far better off, and I am going to urge my colleagues to all support the amendment coming up to just cancel the space station. Most of my colleagues have admitted that they do not think much of it anyway, so why not cancel it. We will save \$1.8 billion in the 1997 budget, plus or minus. With that \$1.8 billion we can fund the housing program and we can plus up the other social programs that we are interested in.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would say to the gentleman that I certainly do support the space station. What I am saying to the gentleman, however, is that when we put it in the context of having to judge between the space station and homeless programs, it is a very different equation. If I can choose between the space station and putting \$13 or \$11 or \$12 or \$13 billion more into the defense bill, then the choice it seems to me is very easy: Let us pay for the space station.

However, that is not what we have before us. What we have is a choice between whether or not we are going to fund \$200 million more into the space station, or whether we are going to take \$297 million and put it into making sure that very poor kids are going to have a shelter over their heads. That is the unconscionable choice that is before us, but it is before us and we have to make that decision.

Mr. BROWN of California. Mr. Chairman, I hate to tell my colleague from

Massachusetts, Mr. KENNEDY, this, but the path he is pursuing is not going to achieve his ends. If he were to succeed, then the space station fails, our partnership agreements with the rest of the world, that includes the Japanese, the Europeans, and the Russians, would all collapse. They would begin their own independent programs to achieve what we have been trying to achieve as partners with them in space. They would never again trust us as a reliable partner on any major activity. We could begin to see the decline of the United States as a world power, and we would not achieve the goal of providing for the homeless that we want because that depends upon our economic leadership in the world, our ability to compete, and we would have lost it.

Now, I am concerned about more than just the space program. I see the next 5 years for all of federally supported R&D going down in real terms by 25 percent, and I think the entire industrial base of this country is likely to suffer as a result of that.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I appreciate the gentleman yielding, and I have very strong concerns about the R&D budget of this country. But to suggest that by putting \$297 million into the homeless budget that we are somehow going to lose our preeminent position of economic leadership throughout the world is utter hogwash. We give these cuts to the Japanese and everybody else on trade agreements all the time.

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

Mr. BROWN of California. I yield to the gentleman from Texas.

Mr. DELAY. I appreciate the gentleman yielding, and he is taking a very statesmanlike position on this issue, understanding what is happening here. No gentleman more than the gentleman from California [Mr. BROWN] understands the delicate balance between all of these programs, particularly in the sense of the space program.

That is taking that \$297 million out of the space program, that I might say in answer to the gentleman from Massachusetts [Mr. FRANK], moneys have been taken from NASA because of some of their actions in wasting money.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has expired.

(On request of Mr. DELAY, and by unanimous consent, Mr. BROWN of California was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from Massachusetts [Mr. FRANK] suggested that the science program, the defense program is so wasteful and we still pump money into it. Not in the case of NASA. We have

ratcheted down NASA to the point that they are lean and doing an incredible job on much less money. But, if you cut them any more, if you take this almost \$300 million out of a program that is barely working and working well, I might say, the shuttle program would result in reduction of the flag rate, reductions in personnel, and would adversely affect and possibly eliminate some of our science commercial and education customers as the gentleman has pointed out. So I just compliment the gentleman on his stand in support of his position.

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

Mr. BROWN of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I certainly am proud of the record of the gentleman from California [Mr. BROWN] in terms of support of social programs. I know what a painful choice this is, but this is a point that is being superimposed by virtue of the budget.

I would disagree with my colleague in terms of the effectiveness of many of the social programs we have. I think all too often we look at the problems and not really the success. But the problem is we keep getting people out of the programs that are getting educated, but then there are more coming into the program.

The fundamental concern that I see here between a Mr. KENNEDY and a Mr. BROWN, who are both friends of mine, is we have to make choices; and unfortunately they are being superimposed because they do not have the courage to go out and raise the money that they need to sustain the programs in this Congress.

If we are going to take apart the Federal Government, then we are not going to be able to preserve programs that deal with fundamental, core American values like the homeless and like NASA and space programs that I agree that we need. But I am sort of an unreconstructed federalist, as the gentleman in the well is. The fact is, we have to make these tough choices. We have to make them today and we have to make them on this basis. I very much regret it, but I understand it. I think that we have a chance here to go to the private sector and get some money. The homeless do not have that choice.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has again expired.

(By unanimous consent, Mr. BROWN of California was allowed to proceed for 3 additional minutes.)

Mr. BROWN of California. Mr. Chairman, I understand the predicament that we are all placed in here. As I have said earlier, it tears me up as much as anybody. But the fundamental problem that I see is rather deeper than what we have said.

The American economic system has really failed in terms of supporting the kind of economy that provides good jobs, the hopes of a career, the opportunity for advancement and progress

that we would like to have to provide. It is my very honest conviction that until we can establish the basis for a growing productive, peacetime economy, we are going to continue to suffer and see the deterioration of our cities, the failure to provide to the poor, a decreasing ability to provide good education to the people of this country.

It boils down to whether we can provide that kind of a society, that kind of an economy, and that we can build the strong communities and the strong families that we need.

Government cannot build strong communities and strong families. It can help to provide the incentives to build the economic infrastructure and provide the opportunity for individual initiatives that will do that, but we have not succeeded.

Now, the scapegoat is being made against R&D. Well, I have the feeling, I would say to the gentleman from Massachusetts [Mr. KENNEDY], that we are saying that the priorities are such that we cannot continue to fund the R&D programs.

Now, the NASA program is about half or a third of all of our civilian R&D. His amendment would kill NASA's reason for existence, basically, and I do not like to consider that possibility. But if his sense of priorities is such that he wants to do that, let us meet it head on. And when the gentleman from Indiana [Mr. ROEMER] offers his amendments, let us cancel the space program.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, let us deal with the truth of the matter, which is, as has been pointed out, my colleague is a stalwart supporter of programs that look out after the poor. No one in this Chamber can stand up to his record, and I certainly do not mean to try.

What I would point out is that I think that we are playing right into the hands of those that would provide tens of billions of dollars' worth of tax breaks that go to the wealthiest people in this country at a time when we are talking about cutting the homeless budget by 27 percent. That is what this is all about.

For one of the leaders of the Republican Party to stand up here and try to suggest that he is really looking out after the homeless is utter hogwash. What is going on here is we have set up a devil's choice. We have said we are going to have to cut the space station or the NASA programs or we are going to have to cut the homeless. What we are really doing is providing a tremendous tax cut to the wealthiest people in the country. That is what this is all about.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has again expired.

(By unanimous consent, Mr. BROWN was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. Mr. Chairman, as much as I respect the gentleman from Massachusetts [Mr. KENNEDY], I think he is deviating a little bit from the central issue before us right here. I think the gentleman stretches what is happening a little more than we need to. We do need to make choices, and I respect those who feel that our priorities are somewhat distorted.

Generally speaking, I agree with those who feel that way. But I do not think we are going to correct those priority problems on this bill.

As I indicated earlier, it is my personal view, and I do not think the majority agree with me, that a 1-percent cut in the Defense Department is a much more reasonable way to set our priorities straight and will also allow us to continue to develop the momentum that will produce that best economic system on Earth here, and the best paid workers and the best cared for children and families. And it is that that I am looking for here.

I may be hitting my head against a brick wall, but I am not opposing any of the programs my colleague wants. I am saying we have to look for more effective ways of funding them.

The CHAIRMAN. The time of the gentleman from California [Mr. BROWN] has again expired.

(On request of Mr. LEWIS of California, and by unanimous consent, Mr. BROWN of California was allowed to proceed for 1 additional minute.)

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman and my colleagues, I really asked the gentleman from California [Mr. BROWN,] for this time because I want to express my deep appreciation for the sensitivity that he brings to this issue. All of us are concerned about the homeless problem, and we are providing as much money over time as we conceivably can use effectively. In the meantime, Mr. BROWN and his Committee on Science have spent years developing America's capability in all of those technical fields that are critical to our economic future. Indeed, his leadership has been very important. Nobody but nobody can say they care more about these social problems than Mr. BROWN has expressed by action as well as votes over the years.

At the same time, the gentleman expresses here this evening good sense. America has many a challenge and to make this kind of exchange does not reflect the real world that we have to deal with in this bill.

Mr. FRANK of Massachusetts. Will the gentleman yield? Will the gentleman yield me 30 seconds?

Mr. BROWN of California. Not if the gentleman is just going to stand there and praise me for my long and distinguished service.

Mr. FRANK of Massachusetts. I am a Democrat. My colleague only gets praised by Republicans tonight.

Mr. BROWN of California. I am happy to yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I am sorry to interrupt this praise, but I have to differ with my friend. Tell me that we need the money for the space station and therefore cannot afford to put it here, and I will disagree. But it seems to me that is within the realm of factual accuracy. But I do not think that it is fair to say that we are giving these programs as much as they can use.

We should not comfort ourselves with the notion that, if we did not give them extra money, they could not use it well. That simply is not true. Say that we have a tough choice to make and I agree, but do not say that they could not use it if we gave it to them.

□ 2045

Ms. ROYBAL-ALLARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Kennedy-Vento amendment. To many Americans, the homeless are faceless individuals we pass on the streets as they move through the hidden recesses of alleys or abandoned buildings searching for food or shelter. More often than not, we turn our heads and forget.

Occasionally, there is a more direct one-on-one encounter when we are approached for a handout. At that moment, we are forced to recognize their existence and decide whether to help or to ignore them and move on.

For many of us, this is the closest we ever come to what can only be characterized as one of our Nation's greatest tragedies, the homeless. For the reality is that there is a story of hardship and misfortune associated with every homeless person. The homeless population is comprised of elderly persons, families with children desperately seeking to break out of the cycle of poverty, and men and women with mental illnesses or addictions who have been forgotten by our society.

The reductions in homeless assistance programs contained in this bill cannot be justified because over the past year alone, the demand for emergency shelter by homeless families has risen by 15 percent. On any given night in America, more than 700,000 men, women, and children are forced to live on the streets. In Los Angeles County, there are anywhere between 17,000 to 42,000 homeless individuals, 3,800 of whom are children.

The homeless families of this country need our help. HUD's homeless assistance programs must be restored to the levels requested by President Clinton. These funds will provide 10,000 additional units of transitional housing, 10,000 units of permanent supportive housing, as well as a continuum of supportive services to help the homeless move into transitional or permanent housing and toward self-sufficiency, providing hope and opportunity to needy American families.

The passage of this amendment is critical to our efforts to fight hopelessness and restore dignity to the poorest

of the poor. I urge my colleagues to vote for the Kennedy-Vento amendment.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in favor of the amendment offered by the gentleman from Massachusetts. Around here we never have perfect choices. Everybody likes to stand up in the well and say, I prefer this offset to this offset and this perfect choice to this budget cut. The fact of the matter is we all know that we do not live in a perfect world. That is why we have so many homeless people in America today.

All of our Members know about *Apollo 13* and Tom Hanks. We like to go see those fun movies. We all know about the excitement, about going to see a space launch down in Florida, and we feel pride about that; we feel pride in our space program.

How many of us go into the homeless centers? How many of us see the growing need in our homeless centers, in our cities, to take care of some of these people for a temporary time period to get them back on their feet and get them back to their families?

I have been in our homeless center in South Bend, IN, and there are more children, there are more families, there is more need for the homeless people in our society today than there was 2 years ago, or 3 years ago. I beg my colleagues, I implore my colleagues, I urge my colleagues, do not just go see Tom Hanks and the *Apollo 13* movie, go see what is happening in America today with some of our families.

We all talk about how close we are and how many families are one paycheck away from a homeless center while many of those families are in homeless centers today, with their children.

I am concerned about the NASA budget, too. I am very concerned about space shuttle safety. I am concerned about some of the programs, the faster, better, cheaper programs that we are putting together. But we have to make tough choices as Members of Congress, first, to get to a balanced budget, and, second, to be fair with our resources.

This space station does not deserve \$297 million. It is \$80 billion over budget from when it was first designed in 1984. It has gone from eight scientific missions to one scientific mission, and we are cutting our homeless centers by 25 percent since 1995. Now that is not justice and that is not fair choices. That is the easy way out.

So I would encourage my colleagues here, one, if they are interested in balancing the budget, you do yourself a favor by getting rid of the space station in the NASA account and, second, if you are interested in fairness and if you are interested in children and homelessness in this society, vote for the Kennedy amendment. It is just, it is fair, it is not a perfect choice, but I think it moves this country in a more just situation and a fairer allocation of

resources than what we currently have with this space station.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. KENNEDY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KENNEDY of Massachusetts. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 138, noes 277, not voting 18, as follows:

[Roll No. 270]

AYES—138

Ackerman	Gutierrez	Oberstar
Barcia	Hamilton	Obey
Barrett (WI)	Hefner	Olver
Becerra	Heineman	Owens
Bilbray	Hillery	Pallone
Blumenauer	Hilliard	Pastor
Bonior	Hinchey	Payne (NJ)
Borski	Holden	Payne (VA)
Boucher	Jackson (IL)	Pelosi
Brown (FL)	Jacobs	Pomeroy
Brown (OH)	Johnson (SD)	Poshard
Camp	Kaptur	Rahall
Campbell	Kelly	Ramstad
Chrysler	Kennedy (MA)	Rangel
Clay	Kennedy (RI)	Reed
Clayton	Kildee	Rivers
Collins (IL)	Kleczka	Roemer
Collins (MI)	Klink	Roukema
Conyers	LaFalce	Roybal-Allard
Costello	Lantos	Rush
Coyne	Lazio	Sabo
Cummings	Leach	Sanders
Danner	Levin	Schroeder
DeFazio	Lewis (GA)	Scott
DeLauro	LoBiondo	Serrano
Dellums	Lowe	Shays
Dingell	Luther	Skaggs
Duncan	Maloney	Smith (NJ)
Durbin	Markey	Stark
Engel	Martini	Stokes
Ensign	Matsui	Studds
Evans	McCarthy	Stupak
Fattah	McDermott	Velazquez
Fields (LA)	McHale	Vento
Flner	McHugh	Visclosky
Flake	McKinney	Wamp
Foglietta	McNulty	Ward
Fox	Meehan	Waters
Frank (MA)	Menendez	Watt (NC)
Franks (CT)	Millender-	Waxman
Furse	McDonald	Williams
Ganske	Miller (CA)	Woolsey
Gejdenson	Minge	Wynn
Gephardt	Mink	Yates
Gilchrest	Moakley	Zimmer
Gilman	Molinari	
Gonzalez	Nadler	

NOES—277

Abercrombie	Boehner	Coble
Allard	Bonilla	Coburn
Andrews	Bono	Collins (GA)
Archer	Brewster	Combest
Armey	Brown (CA)	Condit
Bachus	Brownback	Cooley
Baessler	Bryant (TN)	Cox
Baker (CA)	Bryant (TX)	Cramer
Baker (LA)	Bunn	Crane
Baldacci	Bunning	Crapo
Ballenger	Burr	Creameans
Barr	Burton	Cunningham
Barrett (NE)	Buyer	Davis
Bartlett	Callahan	de la Garza
Barton	Calvert	Deal
Bass	Canady	DeLay
Bateman	Cardin	Deutsch
Beilenson	Castle	Diaz-Balart
Bentsen	Chabot	Dickey
Bereuter	Chambliss	Dicks
Bevill	Chapman	Dixon
Bilirakis	Chenoweth	Doggett
Bishop	Christensen	Dooley
Billey	Clement	Doolittle
Blute	Clinger	Dornan
Boehlert	Clyburn	Doyle

Dreier	Kasich	Richardson
Dunn	Kennelly	Riggs
Edwards	Kim	Roberts
Ehlers	King	Rohers
Ehrlich	Kingston	Rohrabacher
English	Klug	Ros-Lehtinen
Eshoo	Knollenberg	Roth
Everett	Kolbe	Royce
Ewing	LaHood	Salmon
Farr	Largent	Sanford
Fawell	Latham	Sawyer
Fazio	LaTourrette	Saxton
Flanagan	Laughlin	Scarborough
Foley	Lewis (CA)	Schaefer
Forbes	Lewis (KY)	Seastrand
Fowler	Lightfoot	Sensenbrenner
Franks (NJ)	Linder	Shadegg
Frelinghuysen	Lipinski	Shaw
Frisa	Livingston	Shuster
Frost	Lofgren	Skeen
Funderburk	Longley	Skelton
Galleghy	Lucas	Slaughter
Gekas	Manton	Smith (MI)
Geren	Manzullo	Smith (TX)
Gibbons	Martinez	Smith (WA)
Gillmor	Mascara	Solomon
Goodlatte	McCollum	Souder
Goodling	McCrery	Spence
Gordon	McInnis	Spratt
Goss	McIntosh	Stearns
Graham	McKeon	Stenholm
Green (TX)	Meek	Stockman
Greene (UT)	Metcalf	Stump
Greenwood	Meyers	Talent
Gunderson	Mica	Tanner
Gutknecht	Miller (FL)	Tate
Hall (OH)	Mollohan	Tauzin
Hall (TX)	Montgomery	Taylor (MS)
Hancock	Moorhead	Taylor (NC)
Hansen	Moran	Tejeda
Harman	Morella	Thomas
Hastert	Murtha	Thompson
Hastings (FL)	Myers	Thornberry
Hastings (WA)	Myrick	Thornton
Hayworth	Neal	Thurman
Hefley	Nethercutt	Tiahrt
Herger	Neumann	Torkildsen
Hobson	Ney	Torres
Hoekstra	Norwood	Trafficant
Hoke	Nussle	Upton
Horn	Ortiz	Volkmer
Hostettler	Orton	Vucanovich
Hoyer	Oxley	Walker
Hunter	Packard	Walsh
Hutchinson	Parker	Watts (OK)
Hyde	Paxon	Weldon (FL)
Inglis	Peterson (MN)	Weldon (PA)
Istook	Petri	Weller
Jackson-Lee	Pickett	White
(TX)	Pombo	Whitfield
Jefferson	Porter	Wicker
Johnson (CT)	Portman	Wise
Johnson, E. B.	Pryce	Wolf
Johnson, Sam	Quillen	Young (AK)
Johnston	Quinn	Young (FL)
Jones	Radanovich	Zeliff
Kanjorski	Regula	

NOT VOTING—18

Berman	Hayes	Schiff
Browder	Houghton	Schumer
Coleman	Lincoln	Sisisky
Cubin	McDade	Torrice
Fields (TX)	Peterson (FL)	Towns
Ford	Rose	Wilson

2110

The Clerk announced the following pair:

On this vote:

Mr. Towns for, with Mrs. Cubin against.

Mr. DE LA GARZA changed his vote from "aye" to "no."

Messrs. ZIMMER, GILCHREST, SCOTT, and WAMP and Ms. MILLENDER-McDONALD changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. LEWIS of California. Mr. Chairman, I move the strike the last word.

Mr. Chairman, for the benefit of all Members, I would like to announce the schedule for the rest of the evening.

It is our intention to finish title II tonight; that is, finishing the housing portion of this bill. There will be no more rollcall votes tonight, and any demands for rollcall votes will be stacked tomorrow. Members with amendments to title II or who wish to speak to such amendments should plan to stay for a while.

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

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, for the benefit of Members, I want to make clear that it is the intention of the committee to proceed no further than the end of title II tonight.

Mr. LEWIS of California. It is our intention to proceed no further once we finish title II tonight.

Mr. OBEY. All Members with amendments to title II should be aware of the need to stay here tonight if their rights are to be protected to offer those amendments.

Mr. LEWIS of California. The gentleman is correct. Members who have problems with title III or interest in it will not be so pressed.

□ 2115

AMENDMENT OFFERED BY MR. LAZIO OF NEW YORK

Mr. LAZIO of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAZIO of New York: Page 19, line 9, after "\$5,372,000,000" insert "(reduced by \$140,000,000)".

Page 19, line 19, after "\$800,000,000" insert "(reduced by \$140,000,000)".

Page 20, line 18, after "\$595,000,000" insert "(increased by \$100,000,000)".

Page 20, line 24, after the dollar amount insert "(increased by \$40,000,000)".

Mr. LAZIO of New York. Mr. Chairman, I am here today to talk about an issue as chairman of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services for this Congress that I feel very strongly about. These are issues I felt very strongly about in the first session, and I feel equally strongly about them in this session.

For a year and a half I have worked with colleagues on both sides of the aisle, with local, State, and national leaders, with community activists and people deeply committed to ensure that our country has housing policies that provide adequate opportunity for all American families and protection for the most vulnerable of American families.

I rise today to offer an amendment not because I have tremendous disagreement with the gentleman from California [Mr. LEWIS] or because I believe he has done a poor job. In fact, I think my good friend from California has produced a solid bill. I know that my friend from California has a difficult job, but this evening we are talking about people who do not have the ability to transition back into the marketplace, to take another job, to go to

work, to afford their own unit. We are talking about helping the disabled and the elderly.

This bill before us. Mr. Chairman, I think is basically solid, but it has one or two misplaced priorities affecting those very citizens that we should be doing our utmost to protect. The amendment I am offering will mean more housing for American families who truly need it. Based on the per-unit cost, this amendment will mean 2,000 new units of elderly housing and housing for the disabled.

These are the last programs, Mr. Chairman, that we have that will develop new housing. Over the life of these buildings, that means that tens of thousands of our Nation's seniors and our Nation's disabled will have housing opportunities they otherwise would not have. Thousands of people will benefit from this.

Mr. Chairman, as we have witnessed over the last 10 years, as States have made decisions leading to the deinstitutionalization of people who are mentally challenged, we see the increase of homelessness. People who are thinking deeply about these issues are increasingly talking about providing shelter for people that gives them the maximum ability to have meaningful lives. There is a movement toward community homes.

Mr. Chairman, the only way that we take people off the streets, the very people in our own neighborhoods who, unfortunately, are affected with mental and physical disabilities, is to give them the means to have these types of community homes, to give them the homes they need to live in, to give them the opportunity to have meaningful lives. The only way we can do that is through proper funding of the section 811 program, which is the last remaining new production that will allow for new units to be developed to provide housing, affordable housing, for the disabled.

Mr. Chairman, at the same time, we are trying to struggle to meet the needs, the almost overwhelming needs of our Nation's elderly population. Year after year the needs outstrip our ability to provide more units. In just about every community in the Nation there are needs that are unmet for both the senior and the disabled population.

As we begin to struggle with the policies to house Americans, and in particular the most vulnerable Americans, our first priority has got to be the people who cannot take care of themselves because of age and because of disability. If we cannot meet those needs, we should not be attending to the other priorities in the bill before us.

Some will argue, Mr. Chairman, that the cut in housing for the elderly and the disabled is justified because it meets the President's request. There is not a person in this Chamber that votes consistently in support simply because the President proposes a reduction in spending. In this case it is a 32-percent reduction in spending for the disabled.

Some would suggest that we cannot spend any more. Well, that also is false, Mr. Chairman. Every year what is called a NOFA is sent out, Notices of Funding Availability, and last year that was subscribed, and to the extent that we are able to have the resources in place that we once had, we will also be able to meet that need.

My last statement, Mr. Chairman, is that we now need to step forward to help those people who cannot help themselves. They are relying on our intervention, the disabled and the senior population.

Mr. CASTLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of Chairman LAZIO's amendment to restore senior and disabled housing funding to their 1996 levels.

I have been a strong supporter of efforts to put us on track to a balanced budget, and I do not question the need to reduce Federal spending. However, in this year's VA, HUD, and Independent Agencies appropriations bill, Housing for our Nation's elderly and disabled has been unfairly targeted.

Our Nation's vulnerable population depends on public housing programs. The section 202 and 811 programs are two of HUD's most effective, well-run programs. They have served the elderly and disabled well—providing them with housing that otherwise would have been unattainable.

There are some Government programs that are wasteful or only benefit a select few, and those are the programs we should target. However, important programs like sections 202 and 811 must be maintained. Housing for the elderly and disabled provide invaluable assistance to millions of people across our Nation. If we allow these funds to be cut, many of those who depend on public housing will be denied shelter or forced into unsafe or unsanitary conditions.

Those who have been disabled or are elderly deserve the peace of mind of knowing safe, affordable housing is available to them. I do not think we should turn away the disabled or the elderly when they come to us for assistance. But this is what housing authorities across the Nation will be forced to do if we do not restore section 202 and 811 funds to last year's levels.

I strongly support fulfilling our commitment to the elderly and disabled of this Nation by standing in support of Chairman LAZIO's amendments.

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

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

Mr. QUINN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I also want to go on record as supporting the amendment of the gentleman from New York [Mr. LAZIO], here this evening, and I do it knowing full well that this whole discussion, the VA-HUD and Independent Agencies appropriations bill is probably one of the most difficult for all of

us to talk about of all the bills we work with.

The gentleman from California, Chairman LEWIS, has worked tirelessly with all groups in this Congress on both sides of the aisle, from all sections of the country. He has heard our pleas, he has listened to us in private meetings and in public meetings, and I thank him and applaud him for the work that he has done on a difficult, difficult bill. But for those of us who come from local government and have seen section 811 and section 202 work in our towns and villages and counties across the country, disabled and elderly people must have us stand up for them at this time.

Mr. Chairman, I want to join those who support the Lazio amendment this evening.

Mr. LEWIS of California. Mr. Chairman, I rise reluctantly but very strongly to oppose this well-intentioned amendment.

Mr. Chairman, by way of this amendment offered by my friend, the gentleman from New York [Mr. LAZIO], the chairman of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services, he is suggesting that we decrease assistance for section 8 multifamily housing by an amount of some \$140 million total. He takes \$100 million and transfers it to elderly and \$40 million and transfers it to disabled housing.

It is important for the Members to know that this bill and the entire housing effort in the House faces a very, very serious challenge because of that which is occurring within the very accounts that the chairman has chosen to tap. The committee has recommended funding the section 202 housing for elderly programs at the level requested by the President. This amount is, as has been suggested, below the level appropriated in 1996, but the administration request is based on the fact that this level of funding represents the amount of activity the Department actually can undertake during this fiscal year.

In the past, a significant portion of the money appropriated for this account has been carried over from year to year when the funding has not been obligated. On the other hand, the funding level for the annual contributions account, some \$5,272,000,000, is necessary to protect low-income families that are already dependent upon certificates, vouchers or project-based assistance. Decreasing these accounts could result in the Department being unable to meet its already very difficult obligations. If this account is reduced significantly, families could be displaced.

Now, the point is that section 8 multifamily housing programs need serious reform. Already because we now tend to go put off that reform, the requirements for the 1997 and 1998 bills are escalating very, very rapidly. I would suggest unless we have money banked

to meet those challenges, we are literally going to be forced, regardless, we are going to be forced to displace families already receiving services no later than 1998.

The committee has recommended creating an account of \$875 million that may be used by HUD as of September 15, 1997. The recommendation to create the savings account was decided upon knowing that next year the President will have to request \$10,793,000,000-plus in 1998 to renew existing certificates, vouchers and project-based rental contracts or face cutting off assistance to low-income families, which is an unacceptable eventuality for this chairman, and I believe unacceptable to the authorizing chairman as well.

The problem we face is that reform is absolutely needed now, and yet there is little doubt that a housing bill dealing with these reforms will not move through the process very likely until the next session of Congress. We will probably be dealing with the 1998 year. That is going to assure displacements of families; that is, families losing their housing, unless we build some kind of a bank account.

To tap these accounts now is essentially saying we are concerned about people this week instead of recognizing the real crises here, which I think is very shortsighted.

The President will have to request almost \$11 billion to reset this need in 1988. The committee's recommendation was following the reforms in section 8 tenant-based or project-based programs. These adjustments are extremely unlikely, as I have suggested, because of what is happening on the authorizing side.

I compliment the chairman of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Service for his willingness to address this measure, but frankly the time is now and the crisis is urgent.

□ 2130

We cannot afford to wait until 1997. In fact, if we, by eliminating the reforms that this committee recommended for section 8 project-based programs, in section 204 and 205, really at the request of Mr. LAZIO, we have increased the budget authority needs for certificates, vouchers and project-based assistance by \$136 million.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 2 additional minutes.)

Mr. LEWIS of California. Mr. Chairman, with that kind of automatic increase, therefore, it is even more important that we plan for the future. The section 8 certificate, voucher and project-based programs serve some 2,750,000 households. Of these families, 40 percent are elderly and disabled. If the assistance for these families is de-

creased or is unavailable, the impact is undeniable. The families lose their assistance immediately. The 202 program is a grant program for nonprofits to renovate or build new apartment buildings for elderly residents. Because of the nature of the program, it takes at least 18 months before the money is obligated and sometimes more than 24 or 36 months before the elderly households are actually assisted under the program.

It is absolutely imperative that the Members recognize that we are facing a crisis here and that crisis is going to fall on the heads and the backs of those families already desperately in need and who are receiving assistance currently.

This problem is not going to go away by some short-term fix that meets very short-term needs that may not be able to be spent by the administration in terms of their present availability of workload as well as opportunity.

I strongly urge a no vote on this very well-intentioned but, I think, misguided amendment.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words.

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

Mrs. ROUKEMA. Mr. Chairman, I rise in strong support of Chairman LAZIO'S amendments to raise the level a modest increase by any standards of funding for Section 202 Elderly Housing and Section 811 Disabled Housing Programs.

This amendment will mean 2,000 new units of housing for the elderly and the disabled.

The Section 202 Supportive Housing for the Elderly Program was reduced by \$422 million in the fiscal year 95 rescission bill from \$1,279 million to \$857 million, and was further reduced in the 1996 omnibus appropriations bill to \$830 million. The Appropriations Committee now proposes to reduce funding in 1997 to \$595 million—less than half the pre-rescission amount. Seniors are one of the fastest growing segments of our communities. Sharp reductions such as those experienced by the Section 202 Program in the last 2 years will only mean even greater political and social difficulties in the years to come. Americans did not mean by their call to balance the budget that we should deprive the elderly and the disabled of basic housing. This is unconscionable.

The Section 202 is a successful program that helps to meet an acute housing need for a very frail, very low-income, very vulnerable population. Deep cuts in the Section 202 Program will hurt the very people that so desperately need our help. Not only will these cuts seriously jeopardize our ability to provide suitable and affordable housing for our nation's elderly, but it is counterproductive to our long-term care strategies.

Let's get our priorities straight. Support the Lazio amendment.

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

Mrs. ROUKEMA. I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Chairman, I thank the gentlewoman from New Jersey for yielding to me.

I also rise in strong support of the Lazio amendment, not out of disrespect for my good friend from California but because I believe, precisely as the gentlewoman says, the senior population is growing at an incredible rate.

This is a question of where we place priorities. Given the fact that the senior population continues to rise in a burgeoning fashion, given the fact that we do need to supply housing for the disabled, I believe that this amendment is well thought out, well reasoned and, therefore, I support it.

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman from Arizona, and I yield to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I just wanted to make some points in reflection with respect to the comments of the gentleman from California, my friend, Mr. LEWIS. It is in fact true that it takes some time to develop these projects. As Mr. LEWIS said, it takes 18 months, sometimes as long as 36 months to spend. That time is very long, as much as 10 percent of the spending in any one year. This is a bricks and mortar provision.

Also with respect to the area that we are taking this out of, it is not contract renewals, it is an amendment provision where we will still leave enough money in this area that it is over the 1996 appropriated level.

I also would like to note within this contract renewal portion, last year HUD received \$4.4 billion. In the end, they rescinded, because it was unspent, \$477 million, meaning that their guess was off by over 10 percent. We are asking for \$140 million to help our most vulnerable citizens, our seniors, the elderly and the disabled. It seems entirely appropriate, given the fact that these numbers have been off by this extent, that this modest amendment is supported.

Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the gentlemen who are the chairman and ranking member, the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES], have a difficult time with this balancing of appropriation matters. There is no doubt about it. I am almost always in agreement with them. This time I am not in agreement with their priorities. I speak as vice chairman of the authorizing subcommittee. I would like to mention a few things about the recent funding pattern.

Let us take a look at the housing for the seniors, which is one of the two components of the Lazio amendment. In fiscal year 1995, the funding was

\$1,279,000,000. Rescission took it down to \$857 million. Then, in fact, the administration came forward for fiscal year 1997 at a suggested \$595 million which is, I think, consistent with what the subcommittee has in the legislation.

That is less than half of the prerescission amount of fiscal year 1995, a dramatic reduction. The same sort of general trend is apparent in the housing for disabled persons. It was \$387 million in fiscal year 1995, reduced by rescission to \$259 million. Now the administration is requesting \$174 million, a figure that is included in the recommendations found in this legislation. Again, that is less than half of the prerescission amount of 1985.

Mr. LEWIS and the staff have said that the cut in housing for elderly is justified and they point to the President's budget justifications. According to the President, we should cut funding for senior and disabled housing because HUD last year did not spend all of the money it was allocated. I think that is unacceptable. I refuse to let the administration punish the elderly and the disabled families simply because HUD bureaucrats cannot do their job quickly enough. If you take a look at the notices for funding availability, that was the problem. The nonprofits are out there available to spend the funds, as I understand it.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, I asked the gentleman to yield because I very much appreciate the point that he is making. There is not any question that one of our great frustrations is that there are lines waiting for elderly housing. Yet there is no doubt that the administration and this department have not been able to obligate these moneys over time. In the meantime, because you serve on the authorizing committee, you know full well it takes time to deliver those programs, but the section 8 crisis is not waiting. It is catching up with us, and sooner or later, we have to pay the piper. That crisis is going to put real pressure on seniors who are receiving services.

Mr. BEREUTER. Mr. Chairman, I agree with half of what the gentleman said, the problem with respect to the elderly and disabled programs. But, of course, the gentleman from New York is proposing that the offset come from the annual contributions for assisted housing. That is the very important program that funds section 8 contract renewals and section 8 amendments. But the expenditure patterns for that program are also among the most unclear.

For all practical purposes, the President's budget in this area is nothing but a guess. Last year, for example, here it parallels the disabled and senior housing situation, HUD received 4.4 billion for contract renewals. They re-

scinded 477 million. Why did they do that? Well, they were off 10 percent from the total amount, and they rescinded it because they were not spending in this program either. So maybe there is just the same kind of inefficiency in the section 8 related programs as well.

This year the committee is proposing more money which means there is even a greater level of uncertainty. If they had to rescind it 477 million over one-tenth of what they appropriated last year for this program where Mr. LAZIO is taking the money, I suggest to Members, they are no more likely to use the funds in section 8 programs than they did last year.

For these and other reasons, I reject the administration's recommendations that we downsize so dramatically over a 2-year period of time the funds that are available for disabled housing and for senior citizen housing. I urge my colleagues to support the Lazio amendment.

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

Mr. BEREUTER. I yield to the gentleman from Massachusetts.

Mr. BLUTE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise today in support of the amendment offered by my good friend from New York which would increase elderly housing assistance by \$140 million. My support is not intended to in any way diminish the excellent job Chairman LEWIS has done in developing this bill but simply to give more priority to our senior citizens.

These additional funds will reverse some of the reductions that have been proposed for senior citizens at the same time their population is increasing at a double-digit pace.

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BEREUTER] has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. BEREUTER. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. BLUTE].

Mr. BLUTE. Mr. Chairman, the amendment will mean that an additional 2,000 units of elderly housing will be built which translates into tens of thousands helped over the life of the buildings and will give more of our parents and grandparents the ability to live with peace of mind.

This Congress, under the leadership of Chairman LAZIO, has taken strong actions to protect seniors and others in senior housing. This Congress has ended the unwise policy of mixing seniors with drug and alcohol abusers. Senior housing is becoming safer and seniors are returning in large numbers.

At this time, we need more housing opportunities for seniors, not less. I urge my colleagues to approve the Lazio amendment. We cannot afford to shortchange our senior citizens at a time of increasing need.

Mr. BEREUTER. Mr. Chairman, I thank the distinguished gentleman for his comments.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wonder if I could ask the chairman of the authorizing committee, Mr. LAZIO, if he would have a colloquy with me.

I have looked at your amendment very closely and very carefully. I think I understand what the gentleman is trying to do and, in fact, I am in sympathy with what he is trying to do.

At the same time, I have some very mixed feelings about us taking money out of one housing account and moving it over to another housing account. That is, removing it from an account that helps the poorest of the poor, and moving it over to another program for the poor and the elderly. Obviously, that really is no real decision for any of us. It creates an atmosphere opposite of the bipartisan approach between the chairman of the committee and myself, and the spirit in which we are trying to move. At the same time, it creates a problem for me to see the authorizing committee and the appropriations committee chairmen at loggerheads, when I know that both of you are really concerned about the same issues and the same type of people, and wanting to help them.

I am just wondering, in the spirit of comity and the spirit of bipartisanship that we are trying to establish here, if this is not the type of amendment that you might want to consider withdrawing. Chairman LEWIS and I, in conference and working along with you, can then see if we can work out this problem rather than create the kind of divisiveness that is going to occur over a vote.

I can already see this amendment lining up for many good Members in this House, who do not want to be on either side in a case like this. It really is no decision for us. I am just wondering if that is something we could ask the gentleman to consider.

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

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

Mr. LAZIO of New York. Mr. Chairman, I greatly respect and appreciate and am gratified for the level of comity that you have not just with the chairman of the subcommittee but also with all of us.

If this were a matter of something personal in nature, I would be very glad to give it up in order to further that comity. But there is something deep inside, when we talk about the disabled, people who are mentally disabled, people that are physically challenged, people that are quadriplegic, people that were formerly in institutions that we now have the ability to give permanent housing solutions for, that we must meet.

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If we do nothing else, we ought to be doing this. If I thought it was politi-

cally expedient, that we can take from some of the other accounts, and we just saw the last amendment go down, I would not have selected from this housing account. But of the choices that I thought were politically feasible in order for us to honor what I consider my personal obligation as a public official to the very people that I come to this body to serve, the people who do not have the ability to speak for themselves, the elderly, the people who struggle, the disabled, I feel it is my duty to try and press for this so that we meet our obligation.

Now, I am not asking for more money, I would say to my distinguished colleagues. I am asking just to go back to our 1996 levels, and not even fully there; only 50 percent of our 1996 levels, which I think is an incredibly moderate view in terms of restoring a very small amount of funds for the most vulnerable people in our population.

Mr. STOKES. Mr. Chairman, I thank the gentleman from New York [Mr. LAZIO] for his reply, and I appreciate very much the personal perspective from which he is coming.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, I appreciate very much my colleague from Ohio [Mr. STOKES], yielding. The point that was made in the appeal is very much to the heart of our frustration here. There is no doubt our purpose is to try to flexibility provide adequate housing for a cross-section of people who are the poorest of the poor in our society, and at the same time we have great difficulty with a growing aging population and the like. The item that is very difficult to get across, for these are complex areas, is that in that section of our housing programs known as section 8 multifamily housing, in the past we have set up a process that almost leads those who are trying to serve for a fall. We originally encouraged people to build these facilities on 40-year contracts, on 40-year mortgages, and yet in the meantime people signed up with 40-year contracts in order to delay the foundation for paying those mortgages. Those contracts are coming due, and as a result of that there is a huge escalation of cost in those programs, and, as those costs increase, it puts pressure on HUD's ability to meet their contracts and their obligations with housing authorities, et cetera, et cetera. And unless they are able to meet those obligations, they could very well push the people who are currently living, currently served, in those—

The CHAIRMAN. The time of the gentleman from Ohio [Mr. STOKES] has expired.

(On request of Mr. LEWIS of California, and by unanimous consent, Mr. STOKES was allowed to proceed for 2 additional minutes.)

Mr. STOKES. Mr. Chairman, I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, we could push those people out on the street, and remember that 40 percent of those very people living in those facilities, beyond being among the poorest of the poor, are also elderly and disabled, and we cannot find ourselves in that position.

But earlier I discussed with the chairman the feasibility of our trying to make changes in the difficulties with section 8, and he asked us to let the authorizing committees have a short, and frankly we are going to have an amendment here that takes out any language that relates to that to respond to that. But there is little doubt that next year we will be here at this time talking about the 1998 bill, and the costs will have escalated because it takes time to get that kind of work through the authorizing process.

So it is the elderly and the disabled who are going to be hurt either way, and frankly the people who are currently being served are the ones at greatest risk, and it concerns me that we must protect that population being served first.

Mr. STOKES. Reclaiming my time, Mr. Chairman, let me just say that I think we all knew that one day the chickens were going to come home to roost in terms of this section 8 assisted housing account. I knew it when I was chairman and was utilizing that account to help some parts of the budget, and the gentleman has had to do the same thing. Of course, I know that the gentleman from New York [Mr. LAZIO] realizes that when he goes back into the same account. In 1998, when we have to find \$10 billion and to try to help poor people find housing, we are all going to be confronted with a real problem.

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

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

Mr. LAZIO of New York. Mr. Chairman, I just wanted to point out once again that what we are talking about is not contract renewal account. We are targeting the offset to the amendments area, which is a distinct area within the contract renewal. There is no effect on our ability to fund contract renewals going forward, and of course I understand this dramatic problem within the context of our market-to-market issue.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this is a visionary amendment. This represents two of the most sensitive populations that we in Congress have to be understanding for and represent, and that would be the seniors and disabled. There is not a Republican or Democratic issue. It is a people's issue. We need to work together. The Lazio amendment will mean more housing for American families who need it: 2000 new units of elderly housing and housing for disabled.

Our senior population, as my colleagues have heard previously, is growing at an enormous rate, already in double digits and getting higher every year. Accordingly, we need to increase senior housing opportunities. We only have to look to the American Association for Homes and Services for the Aging and find that in their discussion to Congress about this legislation they support strongly the Lazio bill because it will restore \$235 million to the section 202 program.

Then look into the Consortium for Citizens with Disabilities. They say we need to have the \$84 million in the section 811 for the disabled. It is significant to note that the continuing depletion of our Nation's low-income housing stock and the growing need for tenant-based rental assistance nationwide shows that there must be a Federal priority to help low-income Americans obtain decent safe affordable and accessible housing.

People with disabilities face even more desperate housing situation and stand to face a chronic problem of inadequate housing and increased homelessness for the foreseeable future without greater priority being placed on housing assistance. People with disabilities want the opportunity to live and work in their communities, and housing is the cornerstone for that independence. If a person has access to decent, safe and affordable housing, then he or she can concentrate on education, job training, and thereby empower themselves to become working and taxpaying citizens and thus more integrated into lives of the communities.

So I think for the reasons of the seniors and for disabled, the Lazio amendment is one that we should all support.

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

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LAZIO of New York. Mr. Chairman, I demand a recorded vote, and pending that I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 456, further proceedings on the amendment offered by the gentleman from New York [Mr. LAZIO] will be postponed.

The point of no quorum is considered withdrawn.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the gentleman. Mr. Chairman, I will only take about 1½ to 2 minutes.

I would ask my colleagues on the other side, how many of them when they were children themselves or when they raised their own children bought these little vinyl venetian blinds. Remember looking through the windows and popping them down and looking through, and even at times our own kids would sit there and chewed on

these things as they were looking out the window?

Well, we all know that lead is poisonous to children, and a new study by the Consumer Product Safety Commission and the Window Covering Safety Council determined that when these vinyl blinds deteriorate that there is lead poisoning that affects children, and we did not expect it. It is going to take some money to replace them, and apparently almost every set of these inexpensive vinyl miniblinds in America today deteriorates into dust which contains lead.

Lead dust is poisonous to young children, and Americans have installed over a hundred million sets of these particular blinds. The CPSC recommends that these blinds be removed in homes with children of age under 6.

Today, as we consider this appropriation through the leadership of the gentleman from California [Mr. LEWIS], these appropriations help make housing and home ownership affordable and available for Americans. The VA subsidizes home mortgages, and I have been through that program myself, and HUD helps low- and middle-income Americans buy homes through FHA loans and rent housing through section 8.

Mr. Chairman, this Congress should urge CPSC and work together with HUD-VA mortgage and combat the potential hazard that lead and vinyl miniblinds may have to many young children. We should direct particular attention to low-income housing.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. CUNNINGHAM. Mr. Chairman, I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, first let me say I very much appreciate the interest of the gentleman from California [Mr. CUNNINGHAM] in this very important subject area. I appreciate also or as well his commitment to America's children.

I agree that our Federal agencies should cooperate with one another and with State and local governments to continue fighting lead contamination in homes with children. We all know about lead-based paint, and we have taken action against it through public information campaigns and the HUD office of lead-based paint. Furthermore, all consumers have a responsibility to take informed and appropriate action against this new lead hazard of vinyl miniblinds, and in many cases these miniblinds can be replaced for about \$10 per window. In the interests of our children's health, I agree that the CPSC should work to keep the Nation's housing agencies informed about this issue, to stay in close cooperation with them and to help end lead poisoning among America's children.

The CHAIRMAN. Are there further amendments to this paragraph?

If not, the Clerk will read.

The Clerk read as follows:

HOUSING FOR SPECIAL POPULATIONS: ELDERLY AND DISABLED

For capital advances, including amendments to capital advance contracts, and for

project rental assistance and amendments thereto, for Supportive Housing for the Elderly under section 202 of the Housing Act of 1959, as amended, \$595,000,000, to remain available until expended.

For capital advances, including amendments to capital advance contracts, and for project rental assistance and amendments thereto, for Supportive Housing for Persons with Disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act, \$174,000,000, to remain available until expended, of which 25 percent shall be used for tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437(o)), in addition to any other amounts available for section 8(o).

The Secretary may waive any provision of section 202 of the Housing Act of 1959 and section 811 of the Cranston-Gonzalez National Affordable Housing Act (including the provisions governing the terms and conditions of project rental assistance) that the Secretary determines is not necessary to achieve the objectives of these programs, or that otherwise impedes the ability to develop, operate or administer projects assisted under these programs, and may make provision for alternative conditions or terms where appropriate.

FLEXIBLE SUBSIDY FUND  
(INCLUDING TRANSFER OF FUNDS)

From the fund established by section 236(g) of the National Housing Act, as amended, all uncommitted balances of excess rental charges as of September 30, 1996, and any collection during fiscal year 1997, shall be transferred, as authorized under such section, to the fund authorized under section 201(j) of the Housing and Community Development Amendments of 1978, as amended.

RENTAL HOUSING ASSISTANCE  
(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year 1997 by not more than \$2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts.

PUBLIC AND INDIAN HOUSING  
HOUSING CERTIFICATE FUND

For tenant-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), as amended, \$166,000,000, to remain available until expended: *Provided*, That of the total amount provided under this head, \$50,000,000 shall be for nonelderly disabled families relocating pursuant to designation of a public housing development under section 7 of such Act: *Provided further*, That the remainder of the amount provided under this head shall be used only for housing assistance for relocating residents of properties (i) that are eligible for assistance under the Low Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) or the Emergency Low-Income Housing Preservation Act of 1987 (ELIHPA) in accordance with the terms and conditions of the tenth and eleventh provisos of the second undesignated paragraph under the head "Annual Contributions for Assisted Housing" in Public Law 104-134; (ii) that are owned by the Secretary and being disposed of; (iii) for which section 8 assistance is allocated under subsection (f) of section 204 of this Act (relating to portfolio reengineering); or (iv) subject to special workout assistance team intervention compliance actions: *Provided further*, That notwithstanding any other provision of law, a public housing agency administering certificate or voucher assistance provided under subsection (b) or



(o) of section 8 of the United States Housing Act of 1937, as amended, shall delay for 3 months, the use of any amounts of such assistance (or the certificate or voucher representing assistance amounts) made available by the termination during fiscal year 1997 of such assistance on behalf of any family for any reason, but not later than October 1, 1997, with the exception of any certificates assigned or committed to project-based assistance as permitted otherwise by the Act, accomplished prior to the effective date of this Act: *Provided further*, That section 8(c)(2)(A) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f(c)(2)(A)) is further amended—

(1) in the third sentence by inserting “and fiscal year 1997” after “1995”; and

(2) in the last sentence by inserting “and fiscal year 1997” after “1995”.

#### PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), \$2,850,000,000.

#### PUBLIC HOUSING CAPITAL FUND

##### (INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund program under the United States Housing Act of 1937, as amended (42 U.S.C. 1437), \$2,700,000,000, to remain available until expended, of which \$2,415,000,000 shall be for modernization of existing public housing projects; \$200,000,000 for Indian Housing Development; \$50,000,000 for grants to public housing agencies (including Indian housing authorities), nonprofit corporations, and other appropriate entities for a supportive services program to assist residents of public and assisted housing, former residents of such housing receiving tenant-based assistance under section 8 of such Act, and other low-income families and individuals, principally for the benefit of public housing residents, to become self-sufficient; \$20,000,000 for technical assistance for the inspection of public housing units, contract expertise, and training and technical assistance directly or indirectly, under grants, contracts, or cooperative agreements, to assist in the oversight and management of public and Indian housing (whether or not the housing is being modernized with assistance under this proviso) or tenant-based assistance, including, but not limited to, an annual resident survey, data collection and analysis, training and technical assistance by or to officials and employees of the department and of public housing agencies and to residents in connection with the public and Indian housing program or for carrying out activities under section 6(j) of the Act; \$10,000,000 for the Tenant Opportunity Program; and \$5,000,000 for the Jobs-Plus Demonstration for Public Housing families: *Provided*, That all obligated and unobligated balances as of the end of fiscal year 1996 heretofore provided for the development or acquisition costs of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), for public and Indian housing amendments, for modernization and development technical assistance, for lease adjustments for the section 23 program, and for the Family Investment Centers program shall be transferred to amounts made available under this heading.

#### REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING (HOPE VII)

For grants to public housing agencies for assisting in the demolition of obsolete public housing projects or portions thereof, the revitalization (where appropriate) of sites (in-

cluding remaining public housing units) on which such projects are located, replacement housing which will avoid or lessen concentrations of very low-income families, and tenant-based assistance in accordance with section 8 of the United States Housing Act of 1937; and for providing replacement housing and assisting tenants to be displaced by the demolition, \$550,000,000, to remain available until expended, of which the Secretary may use up to \$2,500,000 for technical assistance, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies and to residents: *Provided*, That, notwithstanding any other provision of law, the funds made available to the Housing Authority of New Orleans under HOPE VI for purposes of Desire Homes, shall not be obligated or expended for on-site construction until an independent third party has determined whether the site is appropriate.

#### DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

##### (INCLUDING TRANSFER OF FUNDS)

For grants to public and Indian housing agencies for use in eliminating crime in public housing projects authorized by 42 U.S.C. 11901-11908, for grants for federally assisted low-income housing authorized by 42 U.S.C. 11909, and for drug information clearinghouse services authorized by 42 U.S.C. 11921-11925, \$290,000,000, to remain available until expended, \$10,000,000 of which shall be for grants, technical assistance, contracts and other assistance training, program assessment, and execution for or on behalf of public housing agencies and resident organizations (including the cost of necessary travel for participants in such training), \$5,000,000 of which shall be used in connection with efforts to combat violent crime in public and assisted housing under the Operation Safe Home program administered by the Inspector General of the Department of Housing and Urban Development, and \$5,000,000 of which shall be transferred to the Office of Inspector General for Operation Safe Home: *Provided*, That the term “drug-related crime”, as defined in 42 U.S.C. 11905(2), shall also include other types of crime as determined by the Secretary.

#### INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (106 Stat. 3739), \$3,000,000: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$36,900,000.

#### COMMUNITY PLANNING AND DEVELOPMENT COMMUNITY DEVELOPMENT BLOCK GRANTS FUND (INCLUDING TRANSFER OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, to carry out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (the “Act” herein) (42 U.S.C. 5301), \$4,300,000,000, to remain available until September 30, 1999, of which \$61,400,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of the Act: *Provided*, That \$2,100,000 shall be available as a grant to the Housing Assistance Council, \$1,000,000 shall be available as a grant to the National

American Indian Housing Council, and \$49,000,000 shall be available for grants pursuant to section 107 of such Act, including up to \$14,000,000 for the development and operation of a management information system: *Provided further*, That not to exceed 20 percent of any grant made with funds appropriated herein (other than a grant made available under the preceding proviso to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Housing and Community Development Act of 1974, as amended) shall be expended for “Planning and Management Development” and “Administration” as defined in regulations promulgated by the Department: *Provided further*, That for fiscal year 1997 and thereafter, section 105(a)(25) of such Act, shall continue to be effective and the termination and conforming provisions of section 907(b)(2) of the Cranston-Gonzalez National Affordable Housing Act shall not be effective: *Provided further*, That section 916(f) of the Cranston-Gonzalez National Affordable Housing Act is repealed.

Of the amount made available under this heading, notwithstanding any other provision of law, \$20,000,000 shall be available for youthbuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading.

Of the amount made available under this heading, notwithstanding any other provision of law, \$60,000,000 shall be available for the lead-based paint hazard reduction program as authorized under sections 1011 and 1053 of the Residential Lead-Based Hazard Reduction Act of 1992.

Of the amount made available under this heading, \$40,000,000 shall be available for Economic Development Initiative grants as authorized by section 232 of the Multifamily Housing Property Disposition Reform Act of 1994, Public Law 103-233, including \$11,000,000 of the foregoing amount shall, notwithstanding any other provision of law, be used for Economic Development Grants in accordance with the terms and conditions specified for such grants in the Report accompanying this Act.

#### AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California: “On page 30, strike lines 9 through 17 in their entirety.”

Mr. LEWIS of California. Mr. Chairman, this amendment eliminates the set-aside within CDBG’S account for the Secretary’s economic development initiative known as EDI. Taking this action does not reduce the CDBG account, but rather it will eliminate the set-aside for this particular program, making more funds available on a more flexible basis for CDBG.

I have decided to take this action knowing that several Members intend to amend the committee’s recommendations to identify specific EDI grants. Let me explain the recommendations of the committee.

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Mr. Chairman, the economic development initiatives program allows the Secretary of HUD to choose awardees based on the following competitive criteria: The extent of the need for the assistance, the level of distress in the

community, the quality of the plan, and the capacity of the applicant to carry out the plan. Each of the programs selected by the committee for special EDI grants meet these criteria.

Furthermore, activities planned in special EDI grants meet the objectives of the EDI program, including the creation of jobs, the revitalization of neighborhoods, leveraging private investment from partners at local levels, and providing opportunities for low-income youth and families. The only substantive difference between the special EDI grants identified in the committee report and the regular EDI grants is who chooses the recipient, the Secretary or the Congress.

Therefore, if the choices of the Congress are considered pork, clearly it is only fair that the Secretary's choices must be pork as well, and the entire set-aside should be eliminated. Eliminating the EDI set-aside within CDBG accounts will have the effect of making \$40 million more available for the CDBG program rather than the special awardees chosen by the Congress or the Secretary.

Mr. Chairman, what I am attempting to avoid here is that there are a number of Members who are looking at individual projects that are selected by the Congress and the committees and suggesting that they are pork. Frankly, we have evaluated them, they meet the criteria, and so on, but I can understand where Members are coming from.

So it is our choice, then, instead to go back and say, let us put all of this into the CDBG pool, take the whole \$40 million, and not have it be part of that account. And incidentally, that sets aside the need for 5 or 7 or 8 or 10 amendments here on the floor, both in the interests of time, but also putting it back into the CDBG pool with some flexibility seems to me to meet at least the intention of those Members who are concerned about the question of pork.

Mr. MINGE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I first would like to begin by stating that I and several other Members who have been active in looking for earmarks that might violate some of the principles we have used in this body would like to applaud the chairman of the committee, the gentleman from California [Mr. LEWIS] for his action. We respect his decision, and will not offer, obviously, any of the amendments that we had anticipated offering.

Mr. Chairman, I would like to briefly engage the chairman in a colloquy with respect to his action. It is my understanding, I would say to the gentleman from California [Mr. LEWIS], that as a result of his amendment, which I expect will be adopted, that the projects identified in the report language, which the gentleman has indicated meet the criteria in the statute, will compete with projects from other States across the Nation and other communities across the Nation, so that

it would truly be a level playing field at that point in time with respect to all projects being proposed by communities for this particular type of funding.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, I would say to the gentleman that if any of those projects were proposed within the CDBG pool, they would have to meet the criteria and be a competitor in that mix. But, frankly, we are attempting to avoid the controversy here of pulling out individual projects and suggesting they might be bad, and if a vote went against them, then they not only would not fare well in that competition, they might very well be set aside entirely.

Mr. MINGE. So the fact that these eight projects are listed in the report language does not, as to the gentleman's understanding of the situation, after the amendment is adopted, provide these eight projects with some type of special status?

Mr. LEWIS of California. We are striking all that language. They will not be a part of this report or this bill as it goes forward.

Mr. MINGE. So even that portion of the report language—

Mr. LEWIS of California. The report does not change, this is the legislative language.

Mr. MINGE. It is the bill language that is being deleted?

Mr. LEWIS of California. That is correct.

Mr. MINGE. Mr. Chairman, going back to my question, the effect of deleting these lines in the bill would mean that these projects identified in the report language would at that point compete with projects from other districts, other States throughout the country, on a level playing field or equal basis, is that correct?

Mr. LEWIS of California. Mr. Chairman, If the gentleman will yield further, I would say, in theory, yes. I must say that with our history around here relative to departments and report language, they might even be a bit disadvantaged.

Mr. MINGE. Or they might be advantaged.

Mr. LEWIS of California. Possibly. But, frankly, I have a feeling that under this scenario, if it is put back in this pool and they do meet the criteria, and we believe that they do, then they would be on a level playing field.

Mr. MINGE. I thank the gentleman very much. I would like to thank the gentleman for his statesmanship in taking this action.

Mr. LEWIS of California. I certainly appreciate the gentleman's expression, and I hope that he will be supporting this amendment.

Mr. MINGE. I shall.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEWIS].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the cost of guaranteed loans, \$31,750,000, as authorized by section 108 of the Housing and Community Development Act of 1974: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$1,500,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974. In addition, for administrative expenses to carry out the guaranteed loan program, \$675,000 which shall be transferred to and merged with the appropriation for salaries and expenses.

#### HOME INVESTMENT PARTNERSHIPS PROGRAM

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), as amended, \$1,400,000,000, to remain available until expended: *Provided*, That \$21,000,000 shall be available for grants to Indian Tribes: *Provided further*, That up to 0.5 percent, but not less than \$7,000,000, shall be available for the development and operation of a management information system: *Provided further*, That \$15,000,000 shall be available for Housing Counseling under section 106 of the Housing and Urban Development Act of 1968.

#### HOMELESS ASSISTANCE FUNDS

For the emergency shelter grants program (as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77), as amended); the supportive housing program (as authorized under subtitle C of title IV of such Act); the section 8 moderate rehabilitation single room occupancy program (as authorized under the United States Housing Act of 1937, as amended) to assist homeless individuals pursuant to section 41 of the Stewart B. McKinney Homeless Assistance Act; and the shelter plus care program (as authorized under subtitle F of title IV of such Act), \$823,000,000, to remain available until expended.

#### HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

##### (INCLUDING TRANSFER OF FUNDS)

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), \$171,000,000, to remain available until expended: *Provided*, That any amounts previously appropriated for such program, and any related assets and liabilities, in the "Annual contributions for assisted housing" account, shall be transferred to and merged with amounts in this account.

#### AMENDMENT OFFERED BY MR. SHAYS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment number 46 offered by Mr. SHAYS: In the item relating to "DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS", after the dollar amount, insert the following: "(increased by \$15,000,000)".

In the item relating to "NATIONAL AERONAUTICS AND SPACE ADMINISTRATION-MISSION SUPPORT", after the last

dollar amount, insert the following: "(reduced by \$15,000,000)".

Mr. SHAYS. Mr. Chairman, my staff sent me here a number of hours ago in anticipation of this amendment, and I realized I was here a little earlier than I needed to be, but it was a hard place to leave. There is some tranquility here that I have not seen in quite some time. It was enjoyable, frankly, to listen to the competence of the chairman in this committee and to hear the debate and dialogue that took place among a number of Members, and the competence, I might say, of the now ranking member.

Mr. Chairman, this amendment was introduced by myself and my colleagues: my neighbor, the gentlewoman from New York, Mrs. LOWEY; the gentlemen from New York, Mr. LAZIO and Mr. SCHUMER; the gentleman from Wisconsin, Mr. GUNDERSON; the gentlewoman from Connecticut, Mrs. KENNELLY; the gentleman from California, Mr. HORN; the gentleman from Massachusetts, Mr. STUDDS; the gentlewoman from California, Ms. PELOSI; the gentlemen from New York, Mr. BOEHLERT and Mr. NADLER; and the gentleman from Illinois, Mr. FLANAGAN.

What this amendment does is it increases the housing for people with AIDS from \$171 million to \$186 million, which was the pre-rescission amount that we had in our budget in 1995. To pay for the increase, the \$15 million increase, and I just would hasten to point out, it is a very modest amendment, one that almost would make me feel that the chairman of the subcommittee might want to endorse it; but it is \$15 million taken from the mission support account of NASA, which will go from \$2,562,000,000 to \$2,547,000,000. The account for this mission support is \$113 million more than the House had in the fiscal year 1997 authorization levels, so the authorization level is \$113 million less than what is in this budget.

Our concern, Mr. Chairman, is for housing for people with AIDS. The number of people who are HIV-positive with AIDS is growing. We have 10 additional jurisdictions, and as some may know, we fund 90 percent of the HOPWA money by providing funds based on 115 cases per 500,000 people.

As more people are HIV or have AIDS, the number of demands on this limited money is resulting in those that have had money in the past are actually experiencing cuts. So while we are freezing this at \$171 million, by the chairman's attempt, there will be cuts unless we add \$15 million, and we are hoping that the full House will act favorably on this. We think it is a modest amendment. We hasten to point out that the daily cost for persons with AIDS in acute care facilities is \$1,085, and that the daily cost of community housing under the HOPWA grant ranges from about \$40 to \$100 a day.

Mr. Chairman, one-third to one-half of all people with AIDS are either homeless or in imminent danger of losing their homes. It is estimated that 15

percent of all homeless people are in fact HIV-positive. I just cannot emphasize enough, we are fairly modest in our approach to helping people with AIDS. We obviously are doing research. We have services. But what we spend to give people who are HIV-positive or have AIDS a place to live, I just cannot emphasize the extraordinary need to do this.

There is a McKinney home that is run by the Whitman-Walker organization that has six families. If Members can just visualize those six families, those six families tend to be a mother and her children. Her children in most cases do not have AIDS, are not HIV-positive, but the mother is. The mother knows that she is going to die. She knows she is going to die. With her in the home is the new mother for her children. This is the kind of expenditure that the HOPWA funds go, to help that mother live in an environment for the rest of her very short life to usher in and help her children grow and meet their new mother, and it is a beautiful program. There are a number of programs throughout the country where we have people really dedicated to helping extend a loving hand to those who simply need a place to stay, a place to call home.

Mrs. LOWEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we are offering this amendment today to add badly needed funding to the Housing Opportunities for Persons with AIDS program.

Our amendment will increase funding for HOPWA to the pre-rescission fiscal year 1995 level, only a \$15 million increase over what is currently in the bill. This increase will provide housing opportunities to over 4,000 individuals and families living with AIDS around the country. More than 4,000 people who would otherwise be put out onto the streets.

And make no mistake, the cost to society of throwing these people out onto the streets is far greater than the cost of providing them with housing. It should come as no surprise that individuals without housing will turn to hospitals and American taxpayers will foot the bill. The average cost of hospital care for people with AIDS is between 10 and 20 times the cost of home care. The HOPWA program saves \$47,000 per person per year in emergency health care costs.

Mr. Chairman, the HOPWA program has been funded at the same level since fiscal year 1995, but more than 20 communities have become eligible for these funds since that time. That translates into a 23 percent decrease in funds available for communities that received HOPWA grants before fiscal year 1995.

Up to 60 percent of Americans living with AIDS are either homeless or in imminent danger of losing their homes. It is estimated that while someone can live for 10 years with AIDS, the life expectancy for a person with AIDS who is homeless is 6 months. The HOPWA pro-

gram will save money, keep families together, and extend lives.

AIDS is a public health emergency, and we should treat it that way. The HOPWA program is cost-effective and humane. I urge my colleagues to support this reasonable amendment.

Mr. LEWIS of California. Mr. Chairman, I rise with very, very great reluctance to oppose this amendment, and I want to take a moment to explain to my colleagues my involvement with issues such as this over a number of years.

I am not sure that many of the Members realize this. Some may recall. But I was a new and greenhorn Member in the House in 1980 when I carried a resolution around the House seeking signatures from Members on both sides of the aisle. It had to do with promoting fundamental research on a new problem that society was just beginning to recognize, a thing called AIDS. Virtually every one of my friends and colleagues on both sides of the aisle said, you want to do what? Because nobody knew what the problem was in those days. That was the first resolution on this issue.

As a new member of this subcommittee, I was the member who put the first dollars, and it was only \$200,000 then, in for AIDS research in this subcommittee. I have a grave concern with where we have been and where we need to go in this whole subject area. Indeed, housing for people who are impacted by this incredible problem, as well as challenge to our society, deserve and need our support.

But one more time, we are talking about very difficult funding levels and balancing programs that are very important. How do you balance? These programs spend out at about 3 percent to 4 percent a year. The money we are talking about shifting here impacts, in real terms, very little in terms of next year or even the year after that for people who are currently dealing with the problem of AIDS. Indeed, we do need balance between these accounts. I cannot recommend that we take x dollars from an elderly account and give to AIDS, or HOPWA, if you will. We have tried to provide funding that we could adequately use in a timely fashion and be as responsive as possible.

□ 2215

The funding for the HOPWA programs is at the President's request, and indeed, we did a lot of analysis of that, attempting to see if we were being as responsive as possible.

I urge the Members to recognize that we are moving forward in a fashion that is an attempt to be both responsive and responsible, and because of that, I urge the Members to vote no on the amendment.

Ms. WOOLSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise tonight in strong support of the amendment offered by Representatives Shays and Lowey.

Mr. Chairman, I represent Marin and Sonoma Counties in California, an area which has one of the highest rates of HIV for a rural/suburban area in the Nation.

To respond to this number, Mr. Chairman, both Marin and Sonoma Counties have mounted an aggressive and compassionate response to the AIDS epidemic—a response that is truly a model for the Nation. By building a network among friends; schools; community organizations; and health care providers, the people and local government of Sonoma and Marin are doing their best to provide quality care to people with HIV and AIDS and for their families.

But the community can't do it alone. They need Federal resources to help them meet the growing demands due to this terrible disease, they especially, need help for one of the most basic of necessities—shelter.

At any given time, because of discrimination; lost wages or medical expenses, up to 60 percent of persons with HIV and AIDS are either homeless or in imminent danger of losing their homes.

That's where the Housing Opportunities for People With AIDS program, or HOPWA, steps in.

By providing housing, HOPWA improves the quality of life for people with AIDS and reduces unnecessary hospitalizations and expensive emergency health care services.

In my district, 94 households including 9 with children, have benefited from this program, but there are many more who need help.

That's why it is crucial that this body approve this modest increase of \$15 million for HOPWA. While not nearly enough to meet the growing demand for housing, this amendment will at least provide housing and services to an additional 4,000 individuals and their families.

Last year, when my district received a HOPWA grant, the local director of the HOPWA program said that he would be really happy if someone came up with a cure for AIDS and they got rid of his job tomorrow.

How we all share those same feelings. How we all wish we could find a vaccine or cure for this terrible disease.

Unfortunately, we are not there yet—the number of AIDS cases has increased by almost one-third since 1995, and the cities and States qualifying for HOPWA funds have increased by 23 percent.

Clearly, the need for housing assistance for people with AIDS is growing. The need is crucial.

Just ask a man (with HIV) in my district; a man who is counting on HOPWA funds so he can concentrate on his health instead of worrying about his rent; ask the family of five in Marin County who used HOPWA funds to move from their tiny one bedroom apartment to a larger one; sadly you can't ask my best friend's son who died from AIDS last year at the age of 33.

But, his family and friends will tell you that he lived a longer and fuller life because of the high quality of care and housing he had.

In memory of him and for the thousands of Americans who are living with this disease let's show this Nation that we at least have enough compassion to provide one of the most vulnerable groups in our Nation—people with HIV and AIDS—with the most basic of necessities—a home!

I strongly urge my colleagues to vote for the Shays-Lowey amendment, and to support this modest increase in funding for housing for persons with HIV and AIDS.

Mr. HORN. Mr. Chairman, I move to strike the requisite number of words.

I am sorry to disagree with my good friend, the floor manager of this bill, who I regard as probably one of the ablest leaders in this Chamber.

Mr. Chairman, I rise in strong support of this deficit-neutral amendment for additional funding for housing opportunities for people with aids. HOPWA—as it is called—is one of the Housing and Urban Development [HUD] programs that work. This amendment would provide for a modest increase to HOPWA funding, restoring the program's appropriation to the prerescission fiscal year 1995 level. Such an increase is more than justified. HOPWA is an excellent example of what good the Federal Government can do when it combines compassion with common sense.

But this amendment is not only justified, it is absolutely necessary. Because of the continued rise of the AIDS epidemic, more than 10 additional jurisdictions will become eligible for HOPWA assistance in the next fiscal year. If we do not restore HOPWA funding to the 1995 prerescission level, the HOPWA grants for 34 States will be cut in the next fiscal year. The Los Angeles-Long Beach area, one of the metropolitan areas hardest hit by the AIDS crisis, has already seen sharp reductions in HOPWA funding. This year's grant for the Los Angeles-Long Beach area totaled nearly \$8 million, and that represented a cut of nearly \$1 million from the 1995 postrescission level. That cut came after the 8-percent across-the-board cut the program took in the 1995 rescissions. Further cuts next year will severely strain the already-overburdened Los Angeles-Long Beach area health care system while sapping the strength of one of our best weapons in the fight against AIDS.

This program combines fiscal prudence with effective compassion. Stable housing is a key to the survival of a person with AIDS. Without a good, stable place to live, AIDS patients are more likely to die prematurely because it becomes extremely difficult to give them the care and treatment they need. But up to 60 percent of all people with AIDS in the United States are either already homeless or in imminent danger of becoming homeless. HOPWA provides a cost-savings way to care for

such people. Without the funding provided for in this amendment, people with AIDS will become homeless or will be admitted to emergency rooms. It costs \$1,085 per day to care for a person with AIDS in an emergency care facility. It costs between \$40 and \$100 per day to provide housing and services in a HOPWA-funded residential facility. HOPWA is a cost-effective alternative to hospitalization. Also, HOPWA is administered at the local level, so that the fight against AIDS is led by the people who know it best, not by Washington bureaucrats. This amendment will save money and reduce the cost of health care. I urge all my colleagues to support it.

Mr. Chairman, I urge very much that this deficit-neutral amendment be passed by my colleagues, and I hope that the chairman, in conference with the Senate, will make sure that this \$15 million is added to the HOPWA budget. It is the least we can do to make up for inflation and also for what we did in 1995.

Mrs. KENNELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Shays-Lowey amendment, of which I am a cosponsor. This amendment will restore funding for the HOPWA Program, which is the only Federal housing program designed to address the housing crisis of the AIDS epidemic. This increase of \$15 million will return HOPWA to its pre-fiscal year 1995 rescission level. Those added dollars will provide housing services for an additional 4,035 individuals and families living with AIDS, allowing them to improve the quality of their lives and gain access to life-extending care.

Although funding for this program has been level since fiscal year 1995, there has been a 23-percent increase in metropolitan areas and States qualifying for HOPWA funding. This increase has forced jurisdictions to compete for fewer and fewer dollars. Cities like my hometown of Hartford are receiving less HOPWA funding while their needs are increasing. In fact, in my home State of Connecticut, we lost over \$100,000 in HOPWA funding in the last fiscal year, even though a new jurisdiction in the State became eligible for the formula grant program.

Connecticut is a leader in AIDS housing, at one time boasting the only Statewide AIDS residence coalition in the Nation. But even in a State that runs an effective AIDS housing program, the need for funding is great. In 1995, fewer than 150 out of 1,500 requests for housing were filled. The alternative for many of those denied housing is homelessness, something none of us should feel comfortable with.

Finally, let me talk about the cost of AIDS housing. The average cost of an acute care hospital bed for an AIDS patient is \$1,085 per day. In Connecticut, the cost of scattered site AIDS housing is on average \$35 per day, far cheaper

than the cost of acute care in a hospital.

The AIDS epidemic continues to grow. In Connecticut, the State budget for AIDS housing has grown from \$150,000 in fiscal year 1988 to \$1.3 million in the last fiscal year. HOPWA dollars supplement these State funds and pay for 35 to 40 percent of the costs associated with AIDS housing. The continued erosion of HOPWA dollars would therefore have a tremendous impact on the capacity to serve these needy people.

The Shays-Lowey amendment is deficit neutral. We would provide extra funding for HOPWA by shifting funds from NASA mission support. This bill provides mission support with \$2.6 billion, even though the science bill this body passed last month authorized only \$2.4 billion. In fact, this bill's appropriation for mission support is \$60 million over the current fiscal year.

Our amendment preserves 75 percent of the funding increase from fiscal year 1996. It leaves mission support \$100 million above the authorization level, and represents only a one half of one percent reduction in total mission support funding.

Like many of our colleagues, we support the work that mission support does in our space program. However, a multiagency appropriations bill like this one requires us to compare priorities and make tough choices. Our choice today is providing housing services for an additional 4,000 individuals and families immediately—or providing a small amount of extra money to an account that is already well above the authorization level.

I urge my colleagues to support the Shays-Lowey amendment, and to provide AIDS housing to those in need.

Mr. COBURN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was somewhat hesitant to come down and talk on this subject, but I find myself as a physician who has cared for AIDS patients, who knows AIDS patients, that we are, through this amendment, perpetuating a mistake, a very major mistake in this country, and that is that we are focusing again dollars on AIDS, and we are missing the concept of AIDS prevention.

The fact is that we are going to spend \$171 million on housing for AIDS patients this year. The fact is that this Government is going to spend \$7.41 billion in 1996 on AIDS.

□ 2230

The reason we have the AIDS epidemic that we do today, the reason we have the increased numbers requiring AIDS housing is because we focused on the wrong thing. That is, HIV prevention. Until we refocus our efforts, until we redirect our dollars to preventing the infection in the first place, we are giving poor solace to those who will come after those that have been so unfortunately infected with this disease

that we will see increasing numbers and we will have to have more numbers.

Prevention is the key to HIV. Prevention is the compassionate way to spend our Federal dollars so that we do not have another 4,000, 5,000, 50,000, 100,000, 200,000 people yearly coming down with AIDS as a complex and serious life-ending disease.

The reason it also is wrong is because today if we identify somebody who has just now become HIV positive, we have the drugs in our armamentarium to prevent them from becoming AIDS patients. We can now identify, if we choose to do so, people who are infected with HIV, and we can start treatments, that now the studies, the multiple drug treatments will tell us, that we will not have AIDS coming about.

We continue to perpetuate a wrong strategy as far as the HIV and AIDS epidemic. We need to start talking about HIV prevention; \$171 million, that is never going to be enough to care for those people who have AIDS; \$271 million is not going to be enough to care for those people who have AIDS. I think we should have more money for those people who have AIDS and need our assistance.

But we are perpetuating a decision-making process that is not going to help solve this problem. Until we recognize it, and unless we recognize it, then we will do a disservice, not to just those people who presently have AIDS but to those who eventually will have AIDS.

So I think it is very important that we look again at what we are spending and how we are spending it, and if we are going to increase funding in terms of the AIDS epidemic, any increase in funding ought to go toward HIV prevention and not additional AIDS housing.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. I appreciate, first of all, my colleague yielding, but more importantly his very sensitive and also thoughtful comments. The gentleman's professional background causes him to be especially aware of the challenges that we face out there relative to this difficulty in our society. It is not going to go away unless we deal with questions of prevention.

But let me, if you will, impose upon your time for a moment, and we will grant additional time so that you can round out your remarks, but the other side of this involves taking the money from the NASA accounts. It is awfully easy for some to put a program like HOPWA against NASA and presume it is not going to have any real effect on those programs.

The reality is that of all the agencies under my committee, one of those agencies that has worked the hardest and has done the best job of attempting

to go about reinventing themselves, as we try to reinvent Government and have it work better, is NASA.

Within that effort, NASA has already reduced its full-time civil service work force from 24,000 to 21,000. They have a schedule that is a very serious schedule in terms of reducing personnel. But in the meantime, this funding would dramatically impact the personnel available in vital programs that relate to our space mission such as human space flight programs. At the core of this program is a series of contracts to construct communications satellites. A cut in this account could eliminate the cost savings associated with current fixed-price contracts.

The reality is that work is going on. It is very important work. It looks like an easy hit for some, but we have already trimmed them to such an extent that they are pushed against the wall. It is awfully important that we recognize that we are doing all that we can to balance these accounts, especially in programs like the NOPWA Program. Indeed, when one recognizes how much of that money is spent out per year, the \$171 million of additional spending this year meets the challenge that the Department can handle.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. COBURN] has expired.

(On request of Mr. LEWIS of California, and by unanimous consent, Mr. COBURN was allowed to proceed for 2 additional minutes.)

Mr. COBURN. I take with some advice the gentleman's words and would agree with them to a great extent. But my main purpose for opposing this is to make us think about what we are doing. HIV-AIDS, except in very rare circumstances today, is an absolutely preventable disease. Absolutely preventable. As long as we fail to recognize that, as long as we ignore that, we will never solve this epidemic, no matter how much money we put at it, no matter how much money we put into drug research, into compassionate care in the latter stages of AIDS, we are not ever going to do enough.

Ms. PELOSI. Mr. Chairman, will the gentleman yield?

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

Ms. PELOSI. I thank the gentleman for yielding, and I appreciate his very sensitive remarks about his caring for people with AIDS and HIV.

I strongly support his statement about prevention being very, very important, because, of course, of what it means in the lives of individuals and from a practical standpoint here in what it means in terms of dollars saved not having to provide funding for care. But I do not want the gentleman to give the impression to our viewers when he said that there are some medications, some drugs that are available now that would prevent AIDS. I am sure the gentleman was referring to those protocols which would prolong life and improve the quality of life for

people with AIDS-HIV. But, sad to say, our prayers have not been answered as far as a vaccine to prevent AIDS or HIV.

Mr. COBURN. Reclaiming my time, I was not referring to a vaccine at all. There is very substantive research in front of us today that says that we will be able to prolong significantly the occurrence from HIV to AIDS infection with some of the very, very new and multidrug trials. The latest studies coming out say that that is so. Therefore, it is eminently important that people who have HIV be identified now.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. COBURN] has again expired.

(On request of Ms. PELOSI, and my unanimous consent, Mr. COBURN was allowed to proceed for 1 additional minute.)

Mr. COBURN. Mr. Chairman, I think it is important to recognize the difference is, it is not just important, it is the only thing that will solve the AIDS epidemic, is treating HIV prevention.

I yield to the gentlewoman from California.

Ms. PELOSI. I thank the gentleman for yielding. I am encouraged in some respects, although I disagree in terms of his position against the increase in the HOPWA funds, but I do find some common ground with him. I hope that the gentleman's remarks are an indication that he will support the ADAP Program which calls for increased funding so that these new protocols and new drugs will be more widely available to people with HIV and AIDS to improve the quality of their life, to prolong life until there is a cure, because these protocols in many cases cost twice as much as the drugs available now and I do not think that the benefit of the research that the American people have spent billions of dollars on should be confined to only those wealthy enough to afford those drugs but would be more widely available to prolong life.

Ms. DELAURO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Shays-Lowey amendment to increase funding for housing opportunities for persons with AIDS by \$15 million.

AIDS is a critical public health threat that continues to grow, with approximately 40,000 new HIV infections recorded in the United States each year. AIDS is the second-leading cause of death among young men in the United States, and the sixth most common cause for young women.

AIDS has hit my own community particularly hard. Almost 20,000 people have contracted the HIV virus throughout Connecticut, and in 1995 Connecticut ranked sixth in per capita AIDS cases. AIDS is the leading cause of death for women in the city of New Haven.

As a nation, we must remain committed to searching for a medical cure and a vaccine for AIDS, as well as

treating those already afflicted with the disease. Although we are facing tough economic times, we cannot afford to decrease funding for AIDS research and prevention programs.

Until we find a cure for AIDS, however, we must provide the most basic care for the men, women, and children that have been devastated by this terrible epidemic.

I have fought hard to fund AIDS research, and I will fight equally hard to ensure that victims of this disease have a clean, safe place to sleep so that they can live healthier, longer lives. The Shays-Lowey amendment will help state and local government provide the basic necessity of housing to more than 4,000 additional families and individuals that need HIV-AIDS housing assistance in 1997.

This amendment will also maintain the flexibility State and local governments need to establish short-term supportive housing and rental assistance, create community residences, and provide home-care services. The overwhelming cost of caring for victims of HIV-AIDS necessitates an increase in funding to the 50 metropolitan areas that currently benefit from funding for the Housing Opportunities for People With AIDS Program.

Many people with AIDS are forced to spend their life savings on health care, and many are just a paycheck away from losing their homes. People with AIDS, from children to adults, should have a right to refuge, a right to basic care, and a right to a life with dignity. The Shays-Lowey amendment will help make this happen.

I want to congratulate my Connecticut colleague, Mr. SHAYS, for the compassion and kindness and commitment to caring for our neighbors, which is what this amendment represents. And thanks also to my friend from New York, Mrs. LOWEY for her leadership on this issue.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I join with our colleagues in commending the gentleman from Connecticut [Mr. SHAYS], the gentlewoman from New York [Mrs. LOWEY], and other authors and sponsors of this amendment in bringing this to the floor. I commend them, because this important amendment is to increase by \$15 million the funding for the critically important Housing Opportunities for People With AIDS Program.

As one of the original authors along with the gentleman from Washington [Mr. MCDERMOTT] and the gentleman from New York [Mr. SCHUMER] of the legislation establishing the HOPWA Program, I am pleased to note the broad base of support which the program now has on both sides of the aisle. This supports the fact that HOPWA funds are working successfully in communities across the country helping to address the serious unmet housing needs of people with HIV-

AIDS. I commend Chairman LEWIS for including \$171 million for HOPWA in this bill. I believe that we should provide additional funding for HOPWA and I am pleased with the leadership of our colleague from Ohio, Mr. STOKES, and his assistance on this issue, because this program makes a positive difference in the lives of people with HIV-AIDS and for the communities which are struggling to address the AIDS epidemic.

The additional \$15 million in this amendment is a relatively small amount which will have a large effect. This funding will return HOPWA to the prerescission fiscal year 1996 funding level. I have some more facts and figures which I will place in the RECORD.

In our community in San Francisco, these funds are desperately needed. In fact, Peter Claver House, which was a hospice which took care of people with HIV-AIDS who were homeless or in danger of becoming homeless, was a model for this program. In our city of San Francisco alone there are 3,000 low-income people with HIV disease who are on a waiting list for assistance under this program. Imagine, 3,000 people on a waiting list. Nationwide at any given time one-third to one-half of all Americans with AIDS are either homeless or in imminent danger of becoming homeless.

Mr. Chairman, when you have HIV-AIDS, the last thing you need is stress to attack your immune system, and homelessness or the threat of homelessness is indeed a very stressful situation. Sixty percent of all people living with AIDS-HIV will face a housing crisis at some point during their illness due to an inability to work and associated loss of income, medical expenses, or illegal discrimination. Homelessness or the threat thereof places extreme stress on the healthiest of individuals.

As I mentioned if you have HIV-AIDS, the stress can be life-threatening. I will place the rest of my statement in the RECORD, but I did want to say to our distinguished chairman of the committee, Mr. LEWIS, for whom I have a great deal of respect, that the \$15 million that is taken out of NASA as he knows comes out of a \$60 million supplement to that bill which places it \$60 million over the fiscal year 1996 funding. So I think that it will not be as missed in the NASA Program as it will be needed in the HOPWA Program.

□ 2245

In that spirit, I once again commend the gentleman from Connecticut [Mr. SHAYS] and the gentlewoman from New York [Mrs. LOWEY] for their great leadership on this, and would like to recognize the relentless advocacy of Lucy McKinney on behalf of people with HIV-AIDS and their housing needs.

Mr. FLANAGAN. Mr. Chairman, I rise in strong support of this bipartisan amendment designed to restore funding for HOPWA to the fiscal year 1995 pre-rescission level of \$186 million.

The HOPWA Program is an essential tool in the fight against HIV/AIDS. By increasing its

funding by a mere \$15 million, over 4,000 people living with AIDS will be taken off the streets and will receive desperately needed housing. They will also have a better chance of a longer, more full life.

The HOPWA Program is a flexible, locally controlled program that provides short-term supportive housing and rental assistance to community residences and coordinated home health care services. Failure to restore HOPWA funding, especially as the number of AIDS cases continues to grow each year, will leave thousands of people with HIV/AIDS and their families homeless or without adequate housing—all at an enormous cost to their health and to our communities.

Now, Mr. Chairman and colleagues, when I say our communities, I am not just talking about large urban areas like Chicago, New York, or Los Angeles. I am also talking about smaller suburban and rural areas where HOPWA funding is also utilized and is certainly just as important to those citizens living there, where a wide range of alternatives does not exist.

Mr. Chairman, during fiscal year 1996 alone, the HOPWA Program has so far provided \$153.9 million for formula grants to 76 recipients. These grants include: \$3.4 million to the city of Chicago, \$2 million to Houston, and over \$1.7 million to San Diego, CA.

But, again, Mr. Chairman, urbanites are not the only ones who benefit under HOPWA. Nonurban areas also get a piece of the HOPWA pie. For instance, in this fiscal year alone, North Carolina has received \$1½ million for AIDS housing. Alabama has received \$825,000; Kentucky, \$413,000; Mississippi, \$544,000; Nevada, \$468,000; Oklahoma, \$583,000; and South Carolina, \$1¼ million. The State of Washington, not including Seattle, has received \$439,000 in fiscal year 1996 alone.

Better yet, Mr. Chairman, the additional \$15 million we are seeking today will go to new jurisdictions which have yet to receive HOPWA money. In other words, if you're a Member of Congress who thinks that your district won't benefit from this additional \$15 million, think again. AIDS is in every town and community in this Nation, and HOPWA should be there too, helping those who\*COM003\* need it most.

It is a tragic fact that about 30 percent of those infected with HIV are in acute hospital care due to the fact that no community-based housing alternative is available for them. For the most part, urban areas have these low-cost housing alternatives. It's the smaller, more rural areas that do not, and that is why this amendment is so important. The average cost of an acute care hospital bed for an AIDS patient is \$1,085 per day. The average cost of a HOPWA bed is a tenth of that amount—and that's probably a conservative estimate.

The \$15 million increase for HOPWA will provide housing and services for an additional 4,035 individuals living with AIDS. Let me repeat, Mr. Chairman, 4,035 individuals, as well as their families, from all over America who desperately need this assistance in order to survive. This additional \$15 million will also help communities throughout this country cope with the high costs of acute hospital care.

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

The amendment will raise funding from \$171 million to the pre fiscal year 1995 rescis-

sion level of \$186 million. Funding has remained at \$171 million since fiscal year 1995, while 20–22 new jurisdictions have become eligible for HOPWA formula grants since that time. This is actually a 23-percent cut in funds for existing jurisdictions. An increase of \$15 million in funding will result in housing and services for an additional 4,035 individuals and families living with HIV/AIDS.

The average cost of an acute care hospital bed for an AIDS patient is \$1,085 per day. The cost of HOPWA funded housing is between one-tenth and one-twentieth of that amount. HOPWA dollars reduce the cost of emergency health care services by an estimated \$47,000 per person per year. The alternative to HOPWA funded housing for many individuals living with AIDS is the street or a homeless shelter. One-third to one half of all Americans with AIDS are either homeless or in imminent danger of losing their homes. 60 percent of all people living with HIV/AIDS will face a housing crisis at some point during their illness.

The amendment cuts \$15 million from the Gravity Probe-B, which is funded in the NASA Space Aeronautics and Technology account. Gravity Probe-B is intended to verify or disprove Einstein's theory of general activity. The VA–HUD subcommittee provided no funding for Gravity Probe B in FY 1996. Funding was restored at the full committee level to \$51.5 million. This year both the subcommittee and full committee funded the program at \$59.6 million a 15 percent increase—\$8.1 million.

As late as 1992, NASA was saying that the total cost of the project would be approximately \$320 million, that a prototype would be launched by 1995, and the real probe in 1998. Today, the project cost is \$561.5 million through 2000 and launch is not scheduled until 2000.

This amendment does not represent a retreat in basic science. In fact, it is not even a retreat from the Gravity Probe-B Program, since it is still funded at \$45 million in fiscal year 1997. The \$15 million cut represents a 0.2 percent cut in the Science, Aeronautics and Technology account at NASA, and only a one-tenth of one percent cut in NASA's appropriation.

While verifying Einstein's theory is worthy science, the appropriations process requires Congress to make tough choices—testing the theory of relativity, a multiyear endeavor, versus housing for 4,000 more people.

FY 1996 HOPWA FORMULA ALLOCATIONS

The FY 1996 appropriation of \$171 million provided \$153.9 million for formula allocations to 76 grants, including 49 Eligible Metropolitan Statistical Areas (EMSAs) and 27 States. The eleven first-time recipients are noted by \*, the service area of six prior State grantees is reduced due to these new EMSAs. The applicant is the State or, for the EMSA, the most populous city in the area, which is the first jurisdiction named in the EMSA title (except as noted). The allocations are part of the area's consolidated plan.

1966 Formula Grantee	Allocation (In 000s)
<b>New England Region:</b>	
Connecticut (outside of the Hartford and New Haven EMSAs) .....	620
Hartford CT MSA .....	535
New Haven-Meriden CT PMSA* .....	403
Massachusetts (outside the Boston EMSA) .....	898
Boston MA-NH PMSA .....	1,613
<b>New York, New Jersey Region:</b>	
New Jersey (outside of 6 EMSAs) .....	617

1966 Formula Grantee	Allocation (In 000s)
Patterson for Bergen-Passaic NJ PMSA .....	1,044
Jersey City NJ PMSA .....	2,378
Woodbridge for the Middlesex-Somerset-Hunterdon NJ PMSA .....	556
Dover Township for the Monmouth-Ossen NJ PMSA* .....	473
Newark NJ PMSA .....	4,718
New York State (outside New York City and Nassau PMSAs) .....	1,979
Islip for the Nassau-Suffolk NY PMSA .....	1,045
New York NY PMSA .....	35,840
<b>Mid-Atlantic Region:</b>	
Pennsylvania (outside the Philadelphia and Pittsburgh EMSAs) .....	793
Philadelphia PA-NJ PMSA .....	282
Pittsburgh PA MSA* .....	400
Virginia (outside of DC and Norfolk EMSAs) .....	697
Virginia Beach for the Norfolk-Virginia Beach-Newport News VA-NC MSA* .....	416
Baltimore MD PMSA .....	4,582
Washington DC-MD-VA WV PMSA .....	5,026
<b>Southeast Region:</b>	
Alabama .....	825
Florida (outside of 6 EMSAs) ....	2,397
Fort Lauderdale FL PMSA .....	4,036
Jacksonville FL MSA .....	797
Miami FL PMSA .....	8,359
Orlando FL MSA .....	1,043
Tampa-St. Peterburg-Clearwater FL PMSA .....	1,314
West Palm Beach-Boca Raton FL PMSA .....	2,080
Georgia (outside the Atlanta EMSA) .....	931
Atlanta GA MSA .....	2,817
Kentucky* .....	413
Mississippi .....	544
North Carolina (outside the Norfolk EMSA) .....	1,467
Puerto Rico (outside the San Juan MSA) .....	1,382
San Juan-Bayamon PR PMSA .....	3,754
South Carolina .....	1,224
Tennessee .....	1,061
<b>Midwest Region:</b>	
Illinois (outside of Chicago and St. Louis EMSAs)* .....	391
Chicago IL PMSA .....	3,394
Indiana (outside the Indianapolis MSA) .....	452
Indianapolis IN MSA .....	432
Michigan (outside the Detroit EMSA) .....	506
Detroit MI PMSA .....	1,180
Minneapolis-St. Paul MN-WI MSA .....	558
Ohio (outside the Cleveland EMSA) .....	1,262
Cleveland-Lorain-Elvyria OH PMSA .....	532
Wisconsin (outside the Minneapolis EMSA) .....	585
<b>Southwest Region:</b>	
Arkansas* .....	434
Louisiana (outside the New Orleans EMSA) .....	748
New Orleans LA MSA .....	1,295
Oklahoma .....	583
Texas (outside of EMSAs) .....	1,431
Dallas TX PMSA .....	2,038
Ft. Worth-Arlington TX PMSA .....	537
Houston TX PMSA .....	3,014
Austin-San Marcos TX MSA .....	625
San Antonio TX MSA .....	605
<b>Great Plains Region:</b>	
Kansas City MO-KS MSA .....	700
St. Louis MO-IL MSA .....	737
<b>Rocky Mountain Region:</b>	
Denver CO PMSA .....	1,009

1966 Formula Grantee	Allocation (In 000s)
Pacific/Hawaii Region:	
Phoenix-Mesa AZ MSA .....	727
Hawaii* .....	419
Las Vegas NV-AZ MSA* .....	468
California (outside of 8 EMSAs)	1,933
Oakland CA PMSA .....	1,611
Sacramento CA PMSA .....	548
San Francisco PMSA .....	8,828
San Jose CA PMSA .....	547
Los Angeles-Long Beach CA	
PMSA .....	7,979
Santa Ana for the Orange Coun-	
ty CA PMSA .....	960
Riverside-San Bernardino CA	
PMSA .....	1,078
San Diego CA MSA .....	1,721
Northwest/Alaska Region:	
Portland-Vancouver OR-WA	
PMSA .....	667
Washington State (outside of	
the Seattle and Portland	
PMSAs) .....	439
Seattle-Bellevue-Everett WA	
PMSA .....	1,188
<hr/>	
1966 Formulas Total .....	153,220

The CHAIRMAN. The question is on the amendment offered by the gentleman from the Connecticut [Mr. SHAYS].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 456, further proceedings on the amendment offered by the gentleman from Connecticut [Mr. SHAYS] will be postponed.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

FEDERAL HOUSING ADMINISTRATION  
FHA—MUTUAL MORTGAGE INSURANCE PROGRAM  
ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 1997, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of \$110,000,000,000: *Provided*, That during fiscal year 1997, the Secretary shall sell assigned mortgage notes having an unpaid principal balance of up to \$2,000,000,000, which notes were originally insured under section 203(b) of the National Housing Act: *Provided further*, That the Secretary may use the amount of any negative subsidy resulting from the sale of such assigned mortgage notes during fiscal year 1997 for the purposes included under this heading.

During fiscal year 1997, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$200,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under section 203 of such Act.

For administrative expenses necessary to carry out the guaranteed and direct loan program, \$341,595,000, to be derived from the FHA-mutual mortgage insurance guaranteed loans receipt account, of which not to exceed \$334,483,000 shall be transferred to the appropriation for departmental salaries and expenses; and of which not to exceed \$7,112,000 shall be transferred to the appropriation for the Office of Inspector General.

FHA—GENERAL AND SPECIAL RISK PROGRAM  
ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the Na-

tional Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications (as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended) \$85,000,000, to remain available until expended: *Provided*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, of up to \$17,400,000,000: *Provided further*, That during fiscal year 1997, the Secretary shall sell assigned notes having an unpaid principal balance of up to \$2,500,000,000, which notes are held by the Secretary under the General Insurance and Special Risk Insurance funds: *Provided further*, That any amounts made available in any prior appropriations Act for the cost (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guaranteed loans that are obligations of the funds established under section 238 or 519 of the National Housing Act that have not been obligated or that are deobligated shall be available to the Secretary of Housing and Urban Development in connection with the making of such guarantees and shall remain available until expended, notwithstanding the expiration of any period of availability otherwise applicable to such amounts.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238(a), and 519(a) of the National Housing Act, shall not exceed \$120,000,000; of which not to exceed \$100,000,000 shall be for bridge financing in connection with the sale of multifamily real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed \$20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, \$202,470,000, of which \$198,299,000 shall be transferred to the appropriation for salaries and expenses; and of which \$4,171,000 shall be transferred to the appropriation for the Office of Inspector General.

GOVERNMENT NATIONAL MORTGAGE  
ASSOCIATION  
GUARANTEES OF MORTGAGE-BACKED SECURITIES  
LOAN  
GUARANTEE PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

During fiscal year 1997, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$110,000,000,000.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, \$9,101,000, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed \$9,101,000 shall be transferred to the appropriation for salaries and expenses.

POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$34,000,000, to remain available until September 30, 1998.

FAIR HOUSING AND EQUAL OPPORTUNITY  
FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as author-

ized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and for contracts with qualified fair housing enforcement organizations, as authorized by section 561 of the Housing and Community Development Act of 1987, as amended, \$30,000,000, to remain available until September 30, 1998, of which \$15,000,000 shall be to carry out activities pursuant to section 561.

MANAGEMENT AND ADMINISTRATION  
SALARIES AND EXPENSES  
(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed \$7,000 for official reception and representation expenses, \$962,558,000, of which \$532,782,000 shall be provided from the various funds of the Federal Housing Administration, \$9,101,000 shall be provided from funds of the Government National Mortgage Association, and \$675,000 shall be provided from the Community Development Grants Program account.

AMENDMENT OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SANDERS: Page 37, line 13, after the first dollar amount, insert the following: "(reduced by \$1,411,000)".

Page 64, line 9, after the dollar amount, insert the following: "(increased by \$1,411,000)".

Mr. SANDERS. Mr. Chairman, this is a very straightforward and modest amendment. In fact, it calls for far less money than many of the other amendments we have been discussing this evening.

It simply transfers \$1.4 million from the HUD Secretary's office account for salaries and expenses to the Court of Veterans Appeals. In a colloquy on the House floor last year, the gentleman from California, Mr. LEWIS, and I discussed this issue and he indicated a willingness to fight to restore \$429,000 trimmed from the fiscal year 1996 appropriation requested by the Court of Veterans Appeals.

On the basis of that commitment last year, I did not offer an amendment to restore that cut. Unfortunately, for whatever reason, not only was that money not restored ultimately, but when all was said and done, after the budget showdown earlier this year, the appropriation for the Court of Veterans Appeals totaled \$9 million, an 8.5-percent cut below the court's fiscal year 1996 request and a 4½-percent cut below the prior year's fiscal appropriation.

If my amendment is approved, it will cut just \$1.4 million from the \$962 million account available to the HUD Secretary for next year for salaries and expenses to make up for the shortfall in requested fiscal year 1996 funding and flatline the fiscal year 1997 funding for the court at the same level. It would also include \$634,000 for the pro bono representation program as well.

Mr. Chairman, what we are talking about is a small appropriation, but it is



an appropriation that would mean a lot to the veterans of America and especially low-income veterans. I would point out that my amendment is supported by the American Legion and by the Disabled American Veterans. Mr. Chairman, as you know, when a veteran is denied a claim from the VA, that veteran has the right to appeal and that appeal is heard before the Court of Veterans Appeals. Unfortunately, as a result of lack of funding, the Court of Veterans Appeals is unable to do all the things that it should be doing to protect the interest of low-income veterans. One of the very important functions of that court is to make sure that there are pro bono lawyers available to provide assistance for low-income veterans who do not have the funds to get their own lawyers so that they can make the strongest case that they can make. Now, it seems to me that while we all recognize serious financial problems that we have, we should not be cutting back programs for low-income veterans who might not have the right to appeal a claim which was adjudicated in a wrong way. I do not think those are the folks that we should be balancing the budget upon. Low-income veterans should have the right to make their case as strongly as they can.

This is once again a modest request. It is all of \$1.4 million but it would mean a great deal to low-income veterans. It comes out of the HUD Secretary's account for salaries and expenses, and I would hope very much that the Members of the House would support this amendment.

Mr. LEWIS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, reluctantly I rise in opposition to the amendment offered by the gentleman from Vermont. He and I, as he has indicated, have talked about this program before, and last year we were talking about working together in terms of increasing some of this funding and there was no additional money added on the Senate side, so that as we discussed was not feasible in the conference.

Nonetheless, the amendment before us would add \$1,411,000 to the \$9,229,000 currently in the bill for the veterans of court appeals. The amendment would offset the increase by decreasing the amount for HUD salaries and expenses by that same amount. I am not really sure what the gentleman is trying to accomplish here, so maybe he will be able to help me. The court does not need a 15-percent increase above the amount recommended in the bill. The 1997 budget request for operations of the court is \$8,795,000. The bill includes \$9,229,000 for the account, an increase of \$434,000 above the administrator's request. The recommended amount includes the 1996 level of \$8,595,000 for operations of the court and \$634,000 for the pro bono account. The administration did not request any funding for the pro bono account representation

program but the committee recommended funding it at the 1996 level.

I am sure the gentleman appreciates the addition as I know he is a strong supporter of the pro bono program. The subcommittee's budget hearings did not reveal the need for funding above the amount on the 1997 budget request, with the exception of the pro bono program, and the amendment does not increase funds for the pro bono program. As the offset, HUD salaries and expenses accounts have already been reduced by \$25 million below the 1997 request to the 1996 level.

Mr. Chairman, the point is we should not be reducing an account where funds are needed to increase an account where funds do not appear to be needed, and I ask the gentleman if he would consider withdrawing his amendment.

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

Mr. LEWIS of California. I yield to the gentleman from Vermont.

Mr. SANDERS. If I might, Mr. Chairman, let me read briefly from a letter that I received from Steve Robertson, who is director of the National Legislative Commission for the American Legion. They say and I quote:

We have been and will continue to be strong supporters of the veterans' pro bono representation program which will receive a substantial portion of the proposed transfer. Without adequate funding, this essential program will be unable to meet the needs of those veterans who depend on it as their only means of representation before the court.

Let me also read, if I might, from Thomas McMasters, who is the national commander of the Disabled American Veterans. He says, and I quote:

As you know, the DAV has been an active participant in the veterans' pro bono legal program and supports what this program has been able to do for those veterans unable to obtain legal representation for their claims before the United States Court of Veterans Appeals. Accordingly, we support your amendment which will allow the Court to fully fund the pro bono legal program without reducing activities of the Court.

Mr. Chairman, what these gentlemen are saying, because they know something of the issue, because they represent veterans, they are saying we have a lot of low-income veterans who cannot make a trip to Washington, by the way, to make their claim. If they are low-income by definition, they cannot leave their communities, and I think that is a disgrace unto itself.

We are talking about \$1.4 million. Given the amounts of money that we are talking about in this appropriations bill, this is a tiny sum of money and I really do think we should respect low-income veterans who may have gotten a raw deal from the VA and have a right to hear their appeals before the court.

Mr. LEWIS of California. Reclaiming my time, I must say that I understand the gentleman's point, but we attempted to deal with the pro bono program here. We have provided additional amounts that are here.

As I read the gentleman's amendment, he does not really make any change in the improvements we have already made in the pro bono funding, so I am scratching my head a little. But nonetheless, I believe I understand a portion of your point anyway.

Mr. STOKES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I, too, must reluctantly rise to oppose the gentleman's amendment. I do so reluctantly because I know that he is sincere in trying to remedy what he feels is a real problem as it relates to the veterans. This is a subcommittee on which I have sat for many years, and I, too, am totally sympathetic towards the veterans who have to process their claims through the Court of Appeals. I have worked over the years to try and be sure that those veterans get the type of funding that they need in order to process those claims.

My reluctance here is based upon the fact that the House Appropriations Committee level-funded the Department's S&E request at the fiscal year 1996 amount, which is \$25 million below the request. So they have already been nicked by \$25 million in that account. Any additional reduction is certainly going to hurt the HUD salaries and expense account and prohibit them from being able to proceed in some of their assigned responsibilities.

But more than that, the Court of Appeals is now \$229,000 over the 1996 appropriation and \$434,000 over the 1997 request. So from that perspective, it would seem to me that the gentleman's amendment ought to be opposed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 456, further proceedings on the amendment offered by the gentleman from Vermont [Mr. SANDERS], will be postponed.

AMENDMENT OFFERED BY MR. HEFLEY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Hefley: Page 37, after "962,558,000" insert ("reduced by \$42,000,000")

Page 69, line 8, after "46,500,000" insert "(increased by \$20,000,000)".

Mr. HEFLEY. Mr. Chairman, I come to the House floor today to offer an amendment that is not designed to bash HUD, but instead to offer a common sense reduction and transfer of funds. When the House passed H.R. 2406 on May 9, it was with a promise of consolidating and streamlining HUD's bureaucracy. However, the proposed fiscal year 1997 funding for management and administration is exactly the same as

it was before we overwhelmingly passed overall housing reform.

With the savings we can get from a modest 10 percent reduction in HUD's M&A account we can put \$20 million into solid environmental protection, something I think members on both sides of the aisle would support. Since the leaking underground storage tank, or LUST, trust fund was mandated by the Congress in 1986, it has collected a petroleum product excise tax. The current balance is over \$1 billion which is designated for environmentally damaging project cleanup. Let me be clear, this money is not for further regulation or inspection. It is for environmental cleanup only.

The funding level proposed for this year is over 30 percent less than was allocated in 1995. The irony of the whole thing is that this fund is financed through a tax on industry then the Congress turns around and tells industry how much of their own money can be used for cleanup. But the really amazing thing is the interest accumulated on the overall fund last year, is greater than the amount appropriated this year.

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The money we put back into the LUST Program will bring funding back up to the 1995 level and bring it almost in line with the administration's request for this year.

Mr. Chairman, this amendment will do three things that I think every Member of this body will want to support: We take money and bureaucracy out of Washington. In other words, we take \$42 million out of an almost billion dollar administrative account. We reduce the deficit, which many Members have expressed concern about, by the amount of \$22 million of those \$42 million. And we provide increased funding for environmental cleanup of these leaking underground tanks in the amount of \$20 million.

Reduce the bureaucracy, reduce the deficit, and provide environmental cleanup: I think it makes a great deal of sense, Mr. Chairman, and I urge each of the 335 Members who supported H.R. 2406, and also those who believe they are environmentally conscious, to please support this amendment.

Mr. SCHAEFER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first of all, I would like to say what a lot of other people have said about the gentleman from California and the ranking member on taking a difficult job and putting a real tough bill together, but I really also rise in very strong support of the Hefley amendment. I think that he is certainly on the right track as far as trying to get into some of this heavy bureaucratic money that we have and really push an environmental issue that we have out there, particularly in rural America, and that is trying to get after these underground storage tanks that are leaking all over the place; that are threatening ground-

water that we have out there, and particularly in rural America.

That is really where it is at, because in rural America these people cannot afford to dig up these tanks that are leaking and it is getting into the groundwater. They are not getting the funds with which to do it, and I think this additional \$20 million is certainly going to help.

This is a bill that has come out of my committee. The gentleman from Michigan [Mr. STUPAK] and I have already introduced legislation, separate legislation which is moving forward, but it is moving forward of course without the appropriate funds of which we need.

I think this carefully crafted amendment by my colleague from Colorado [Mr. HEFLEY] is really hitting it right on the nose. He has taken it from a spot and he is doing two things with it, taking it from a spot clearly, clearly, that it can be taken from, and using a portion of that \$22 million in which to go toward deficit reduction; and, more importantly, to attack an environmental issue out there that is very, very crucial to this country.

In particular, every person in this Congress from rural America ought to support this amendment by my good friend from Colorado.

Mr. STOKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as I stated on the amendment that was offered by the gentleman from Vermont when I opposed it, I would also oppose this one. But, I oppose it even more strongly than I opposed the amendment by the gentleman from Vermont.

The Hefley amendment reduces this particular account by \$42 million, a sum which would severely compromise HUD's efforts to operate almost 420 billion in program activity; it would undermine the reinvention of HUD as a streamlined department that is smaller, more efficient, more responsive to community and customer needs; and, we have to remember, this account is already \$25 million below the request.

One of the concerns of our subcommittee has been that HUD needs to be reinvented. And of course Secretary Cisneros has presented an ambitious plan that would reinvent the Department, to make it a more streamlined customer service oriented agency. A further reduction in the S&E funds would impede the Department's ability to achieve the stated objectives of this vision by, one, preventing personnel from being relocated from headquarters and former regional offices to the local field offices closer to the communities.

Second, it would force HUD to reduce staff immediately instead of in a planned systematic fashion over 4 years. And, third, it would prevent purchase of needed technology to help HUD do more with less people.

Lastly, the reduced level would not allow the Department to move forward with its plan to relocate up to 500 headquarter employees to the field, which is

an essential part of the Secretary's strategy for the department to become streamlined, more responsive to community needs.

A reduction would absolutely prohibit HUD's ability to carry out its responsibilities with an additional reduction of \$42 million over and above the \$25 million for which the Department has already been nicked. So I would urge the membership to oppose the amendment.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to reluctantly join my colleague in resisting this carefully thought out amendment but an amendment that, unfortunately, does damage to other programs that are disconcerting to me, for I have great appreciation for his concern.

The Leaking Underground Storage Tank Program, known as LUST, and I must say that, as I noted in our "Dear Colleague," we have a headline something like "Stop Hefley's LUST" or something. We have to change that before we put those out tomorrow. But in the meantime this was created to assist the States and tribes with the cost of cleaning up underground storage tank spills where responsible parties cannot be found to pay the bill directly.

The LUST trust fund is a source of funds for this activity, although like Superfund the amount of money we appropriate from the fund is treated exactly like funding from general revenues, it scores against us in VA and outlays.

The trust fund, which holds nearly a billion dollars, was funded through a gasoline tax of one-tenth of 1 percent per gallon. That tax expired at the same time as the Superfund tax in December of 1995. Mr. HEFLEY's amendment essentially puts the program back to the budget request level of \$67 million plus. This represents what EPA believes the States will use if it is available to them. Our proposal of \$46,500,000 is slightly over the 1996 level and our mark signals our desire to level fund as many of the EPA programs as possible.

While the States would probably use the additional funds available under the Hefley amendment, it is also fair to say that they do not, quote, we use the term "need" the additional funds to keep the program running. Neither EPA or the States have complained or criticized us for our 1996 and 1997 funding levels. Our reduction from the budget request was, as much as anything, a reflection of reduced overall dollars in an attempt to make reductions which result in the least program disruptions.

In addition to our programs, that additional LUST fund is just not a burning priority. It is of greater concern that the amendment reduces salaries and expenses at HUD, as my colleague, the gentleman from Ohio [Mr. STOKES], has indicated, some \$42 million. The bill already funds S&E at the 1996 level,

a decrease, a decrease of \$25 million below the budget request. A further reduction of this magnitude would seriously undermine HUD's reinvention plans.

Mr. Chairman, I must say that the Secretary has really attempted to work with the committee as he goes forward attempting that difficult task of reorganizing HUD, so I reluctantly oppose the amendment.

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

Mr. LEWIS of California. I yield to the gentleman from Colorado.

Mr. HEFLEY. Mr. Chairman, I would say to the gentleman, after he referred to the Hefley LUST Program, he should yield.

Mr. Chairman, let me just point out that in 1995 there were 11 States that had more claims than they had balance, and in 1996 there were 19 more States, so that is going the wrong direction for us.

And, Mr. Chairman, we are not talking about simply having States keep the program going, we are talking about solving a rather vast and extensive problem that lies out there, and particularly across rural America.

To the gentleman from Ohio [Mr. STOKES], who expressed great and sincere concern about us taking away this amount of money from the HUD management account because they would not be able to complete their job, I might point out, Mr. STOKES, that we are talking about \$42 million, which of course is a sizable amount of money, but it is not a sizable amount of money out of a budget of \$1 billion, which is essentially what this account has.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I very much appreciate my colleague's position, and, unfortunately, we have to say for the record and clearly have the Members understand that we think that \$42 million is very significant in terms of this account that has already taken a pretty significant hit, so we ask for a "no" vote.

The CHAIRMAN. The question is on the amendment of the gentleman from Colorado [Mr. HEFLEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 456, further proceedings on the amendment offered by the gentleman from Colorado [Mr. HEFLEY] will be postponed.

The Clerk will read.

The Clerk read as follows:

OFFICE OF INSPECTOR GENERAL  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$52,850,000, of which \$11,283,000 shall be provided from the various funds of the Federal Housing Administration and \$5,000,000 shall be provided from the amount earmarked for Operation Safe Home in the

Drug elimination grants for low income housing account.

OFFICE OF FEDERAL HOUSING ENTERPRISE  
OVERSIGHT  
SALARIES AND EXPENSES  
(INCLUDING TRANSFER OF FUNDS)

For carrying out the Federal Housing Enterprise Financial Safety and Soundness Act of 1992, \$14,895,000, to remain available until expended, from the Federal Housing Enterprise Oversight Fund: *Provided*, That such amounts shall be collected by the Director as authorized by section 1316(a) and (b) of such Act, and deposited in the Fund under section 1316(f) of such Act.

ADMINISTRATIVE PROVISIONS

SEC. 201. MINIMUM RENTS.—Notwithstanding section 3(a) and 8(o)(2) of the United States Housing Act of 1937, as amended, for fiscal year 1997—

(1) public housing agencies shall require each family who is assisted under the certificate or moderate rehabilitation program under section 8 of such Act to pay a minimum monthly rent of up to \$25;

(2) public housing agencies shall reduce the monthly assistance payment on behalf of each family who is assisted under the voucher program under section 8 of such Act so that the family pays a minimum monthly rent of up to \$25;

(3) with respect to housing assisted under other programs for rental assistance under section 8 of such Act, the Secretary shall require each family who is assisted under such program to pay a minimum monthly rent of up to \$25; and

(4) public housing agencies shall require each family who is assisted under the public housing program (including public housing for Indian families) to pay a minimum monthly rent of up to \$25.

SEC. 202. ADMINISTRATIVE FEES.—Notwithstanding section 8(q) of the United States Housing Act of 1937, as amended—

(a) The Secretary shall establish fees for the cost of administering the certificate, voucher and moderate rehabilitation programs.

(1)(A) For fiscal year 1997, the fee for each month for which a dwelling unit is covered by an assistance contract shall be 7.5 percent of the base amount, adjusted as provided herein, in the case of an agency that, on an annual basis, is administering a program of no more than 600 units, and 7 percent of the base amount, adjusted as provided herein, for each additional unit above 600.

(B) The base amount shall be the higher of—

(i) the fair market rental for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the agency; and

(ii) such fair market rental for fiscal year 1994, but not more than 103.5 percent of the amount determined under clause (i).

(C) The base amount shall be adjusted to reflect changes in the wage data or other objectively measurable data that reflect the costs of administering the program during fiscal year 1996; except that the Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(2) For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for the agencies administering the program, based on changes in wage data or other objectively measurable data that reflect the cost of administering the program, as determined by the Secretary.

(3) The Secretary may increase the fee if necessary to reflect higher costs of administering small programs and programs operating over large geographic areas.

(4) The Secretary may decrease the fee for PHA-owned units.

(b) Beginning in fiscal year 1997 and thereafter, the Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of \$500, for a public housing agency, but only in the first year it administers a tenant-based assistance program under the United States Housing Act of 1937 and only if, immediately before the effective date of this Act, it was not administering a tenant-based assistance program under the 1937 Act (as in effect immediately before the effective date of this Act), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the program; and

(3) extraordinary costs approved by the Secretary.

SEC. 203. SINGLE FAMILY ASSIGNMENT PROGRAM.—Section 407(c) of the Balanced Budget Downpayment Act, I (12 U.S.C. 1710 note), is amended by striking "October 1, 1996" and inserting "October 1, 1997".

SEC. 204. PORTFOLIO REENGINEERING.—(a) FINDINGS.—The Congress finds that—

(1) approximately 8,500 multifamily projects with mortgages insured by the Secretary of Housing and Urban Development under the National Housing Act are also receiving rental subsidies under contracts entered into pursuant to section 8 of the United States Housing Act of 1937;

(2) of the units with contracts that expire in 1997, approximately 83,000 units have section 8 contracts at rent levels that exceed market rate;

(3) the majority of such projects are receiving rental assistance under such section 8 in amounts exceeding the rents paid for comparable unsubsidized units in the same or comparable market areas, thereby creating an unreasonable burden on Federal taxpayers;

(4) most of these projects have substantial amounts of deferred maintenance and other capital needs, despite receiving such assistance;

(5) in the absence of the renewal of the rental assistance contracts for the projects at rents above market rent, many of the projects would default on their insured mortgages, resulting in massive claims under the multifamily mortgage insurance program of the Secretary;

(6) it is in the interests of the taxpayers, the tenants, owners, and operators of the projects, the mortgagees and investors in the projects, and the communities in which the projects are located to reduce the Federal rental assistance to market rates, to address the capital needs of the projects, and consistent with existing contractual rights, to eliminate the economic risk of Federal mortgage insurance claims on projects that are dependent on Federal rent subsidies;

(7) the Department of Housing and Urban Development does not have the capacity to carry out a program to restructure the portfolio of loans for such projects and, therefore, should enter into agreements with partners that will be delegated the authority to take actions as may be necessary to achieve the goals in subsection (b) through the transition of the projects to (i) market rate rents, and (ii) financing not dependent on Federal mortgage insurance;

(8) such projects provide housing for many low-income families, a significant proportion of which are elderly or disabled families, and their particular housing needs should be recognized in carrying out the program under this section;

(9) many responsible owners of such properties have managed the properties in a competent and efficient manner, consistent with the purposes of the Federal mortgage insurance and rental assistance programs, by maintaining the properties as safe, decent, and affordable housing and acting as good partners of the Federal Government to provide housing for low-income families needing housing; and

(10) the program under this section should be carried out in a manner that recognizes the capabilities, performance, and legal rights of such responsible owners.

(b) GOALS.—The Secretary of Housing and Urban Development shall carry out the program under this section in a manner that will—

(1) protect the financial interests of the Federal Government through debt restructuring and subsidy reduction;

(2) protect the rights of owners of properties under the program, by providing a mechanism to restructure mortgages that would otherwise default; and

(3) in the most effective manner, address the goals of—

(A) maintaining existing housing stock in an affordable, decent, safe, and sanitary condition;

(B) minimizing involuntary displacement and other adverse impacts on tenants;

(C) treating responsible owners as valued partners in the ongoing operations regarding a property;

(D) being cognizant of adverse income tax consequences to owners;

(E) taking into account local housing market conditions;

(F) supporting fair housing strategies;

(G) encouraging responsible ownership and management of property;

(H) minimizing adverse impacts on residential neighborhoods; and

(I) promoting the economic self-sufficiency of tenants.

(c) COMMUNITY AND TENANT INPUT.—In carrying out this section, the Secretary shall develop procedures to provide appropriate and timely notice to officials of the unit of general local government affected, the community in which the project is located, and the tenants of the project.

(d) APPLICABILITY.—

(1) IN GENERAL.—This section applies to any—

(A) multifamily housing project with a mortgage insured by the Secretary under the National Housing Act, and

(B) mortgage debt on a multifamily housing project that is subject to such an insured mortgage,

but only if the multifamily housing project referred to in subparagraph (A) or (B) is covered in whole or in part by a contract for project-based assistance described in paragraph (2).

(2) PROJECT-BASED ASSISTANCE.—A contract for project-based assistance described in this paragraph is a contract—

(A) that expires during fiscal year 1997;

(B) under which the current assisted rents are, in the aggregate, in excess of market rents; and

(C) that provides assistance under—

(i) the new construction or substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

(ii) the property disposition program under section 8(b) of such Act;

(iii) the loan management set-aside program under section 8(b) of such Act;

(iv) the project-based certificate program under section 8(d)(2) of such Act;

(v) the moderate rehabilitation program under section 8(e)(2) of such Act;

(vi) section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975);

(vii) the preservation program under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990;

(viii) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965;

(ix) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; or

(x) section 236(f)(2) of the National Housing Act.

(e) QUALIFIED LIABILITY MANAGERS.—

(1) USE.—In carrying out the program under this section, the Secretary may use arrangements with one or more third parties (in this section referred to as “qualified liability managers”) under which the Secretary may provide for the assumption by delegation, contract, or otherwise of some or all of the functions, obligations, and benefits of the Secretary, as the Secretary determines to be reasonably necessary to accomplish the goals of this section.

(2) SELECTION.—Qualified liability managers shall be selected by the Secretary using competitive procedures. Each qualified liability manager shall be a State housing finance agency with the demonstrated financial and technical capacity (A) to assume and manage the insurance risk of the Secretary, (B) to discharge public purpose objectives (including the goals set out in subsection (b)), and (C) to restructure and recapitalize the housing projects described in subsection (d). In the absence of a State housing finance agency with the demonstrated financial and technical capacity to carry out the responsibilities set forth in clauses (A) through (C) of the preceding sentence, a qualified liability manager shall be composed of a State housing finance agency that partners with one or more entities (including public entities, private sector entities, and nonprofit organizations) with the demonstrated financial and technical capacity to carry out such responsibilities. Each qualified liability manager shall demonstrate an understanding of the public purposes of the multifamily housing mortgage insurance programs under the National Housing Act and the project-based assistance programs under section (d)(2) and the role of responsible project owners under such programs.

(3) ROLE.—Under the program under this section, each selected qualified liability manager shall assume, to the maximum extent possible, the financial risk of the Secretary for the mortgage insurance for one or more projects described in subsection (d), and the responsibility for the restructuring of the financial and physical condition of such projects and the protection of the tenants residing in the projects. In carrying out activities under this section, the qualified liability managers shall—

(A) protect residents and communities by providing for protections against displacement of existing residents under subsection (f), for local government and community involvement in the restructuring process, and for promotion of the economic self-sufficiency of residents;

(B) before expiration of the section 8 contract on a project described in subsection (d), act efficiently by reducing the debt on the property to a level that can be supported by market rents and concurrently reducing section 8 rents that are over market rents to market rents;

(C) act in a manner that respects the legal rights of owners and lenders;

(D) when the owner has negotiated in good faith, act to prevent defaults of the mortgages to the extent economically practicable; and

(E) protect Federal taxpayers by ensuring that projects that are restructured will be financially and physically viable.

(4) CONDITIONS ON ACTIVITIES.—A qualified liability manager may take one or more of the actions under paragraph (5) to restructure the financial and physical condition of a project described in subsection (d), only if the qualified liability manager determines that such actions are economically prudent and feasible.

(5) AUTHORIZED ACTIONS.—Except as provided in paragraphs (4) and (6), and notwithstanding any other provision of law, the Secretary and a qualified liability manager may take the following actions (except that a qualified liability manager may take only actions under subparagraphs (C) through (F)) in order to accomplish the goals of this section:

(A) REINSURANCE AND PARTICIPATION.—In order to transfer the economic liability for the existing mortgage insurance on the projects from the Secretary, to the maximum extent possible, enter into contracts to purchase reinsurance, or enter into participation or otherwise transfer economic interest in contracts of insurance or in the premiums paid, or due to be paid, on such insurance, or both, to the qualified liability manager, on such terms and conditions as the Secretary may determine.

(B) DELEGATION.—Delegate to the qualified liability manager the authority to carry out some or all of the functions and responsibilities of the Secretary in connection with mortgages insured by the Secretary and with mortgages held and properties owned by the Secretary.

(C) CONSIDERATION FOR PARTICIPATION.—From available amounts, including amounts under subsection (i), enter into such agreements, provide such concessions, incur such costs, make such grants (including grants to cover all or a portion of the rehabilitation costs for a project) and other payments, and provide other valuable consideration, as may reasonably be necessary to induce participation of owners, lenders, servicers, third parties, and other entities in the program under this section, taking into consideration any accumulated residual receipts and reserves for replacements for the project.

(D) MODIFICATION OF RESTRICTIONS.—Remove, relinquish, extinguish, modify, or agree to the removal of any mortgage, regulatory agreement, project-based assistance contract, use agreement, or restriction that had been imposed or required, including restrictions on distributions of income.

(E) ASSIGNMENT.—In the event the Secretary or qualified liability manager determines that, upon expiration of any contract described in subsection (d)(2), the insured mortgage would default, permit the mortgagee to elect to assign the mortgage, make a full payment of claim under the National Housing Act, thereby extinguishing any remaining insurance risk of the Secretary.

(F) PROPERTY MANAGEMENT AND DISPOSITION.—Manage and dispose of multifamily properties owned and multifamily mortgages held, on such terms and conditions as may be determined.

(6) REQUIRED CONSENT.—In order to ensure that contract rights are not abrogated, the actions authorized under paragraph (5) shall be subject to such third party consents as are necessary (if any), including consent by—

(A) the Government National Mortgage Association, in any case in which such Association owns a mortgage insured by the Secretary;

(B) an issuer under the mortgage-backed securities program of the Government National Mortgage Association, subject to the responsibilities of the issuer to its security holders and the Association under such program; and

(C) parties to any contractual agreement which the Secretary proposed to modify or discontinue.

(f) RENTAL ASSISTANCE.—

(1) TENANT-BASED ASSISTANCE.—Except in the case of projects subject to paragraph (2), in connection with the termination of any assistance contract described in subsection (d)(2) for a project, the Secretary or a qualified liability manager shall provide tenant-based assistance under section 8 to—

(A) each eligible family residing in the project at the time the assistance under subsection (d)(2) terminates; and

(B) each household residing in the project that becomes qualified as an eligible family within 12 months of such time due to a rent increase.

Notwithstanding sections 8(c)(1) and 8(o)(1), in the case of eligible families that reside in a project covered by one or more actions under this section where the reasonable rent (which rent shall include any amount allowed for utilities and shall not exceed comparable market rents for the relevant housing market area) exceeds the fair market rent limitation or the payment standard, as applicable, the amount of assistance under this subsection for the family shall be determined based on such reasonable rent. For the certificate program under section 8(b), the maximum monthly rent under the contract (plus any amount allowed for utilities) shall be such reasonable rent for the unit. For the voucher program under section 8(o), the payment standard shall be deemed to be such reasonable rent for the unit.

(2) PROJECT-BASED ASSISTANCE.—Notwithstanding paragraph (1) of this section and the requirements of section 8(d)(2), at the request of the appropriate unit of general local government, the appropriate public housing agency shall provide project-based assistance under section 8 for the project in accordance with guidelines issued by the Secretary.

(g) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall be construed to limit the Secretary's authority under other provisions of law.

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

(1) ELIGIBLE FAMILY.—The term "eligible family" means an individual or family—

(A) who qualifies as a very low-income family under section 3(b) of the United States Housing Act of 1937; or

(B) who—

(i) resides in a project to which the program under this section applies;

(ii) qualifies as a low-income family (other than a very low-income family) under section 3(b) of the United States Housing Act of 1937, or, regardless of income, qualifies as an elderly or disabled family under section 3(b) of such Act; and

(iii) who, without section 8 assistance, would be required to pay more than the amount determined under section 3(a)(1) of the United States Housing Act of 1937 for rent for the unit in which the eligible family resides (or in another unit in the same project).

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

(3) SECTION 8.—The term "section 8" means section 8 of the United States Housing Act of 1937.

(i) FUNDING.—For purposes of carrying out this section, the Secretary may make available any amounts—

(1) from the appropriate insurance fund as otherwise authorized under the National Housing Act and for activities as authorized in this section; and

(2) recaptured from a project under the program in connection with the termination, nonrenewal, or expiration of a contract (A) under section 8, or (B) for interest reduction payments under section 236 of the National Housing Act.

SEC. 205. SECTION 8 CONTRACT RENEWALS.—

(a) AUTHORITY.—For fiscal year 1997 and fiscal years thereafter, the Secretary of Housing and Urban Development may use amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937, upon termination or expiration of a contract for assistance under section 8 (other than a contract for tenant-based assistance) to provide assistance under section 8, at rent levels not to exceed the lesser of (1) the rents in effect upon termination or expiration, or (2) comparable market rents, for the eligible families assisted under the contracts at expiration or termination but, in no case may rents be increased to comparable market rents. In the case of any project assisted under section 8, not insured under the National Housing Act, and for which the original primary financing was provided by a public agency and remains outstanding, contract rents shall be renewed at the rents in effect upon termination or expiration of the contract. Such assistance shall be in accordance with terms and conditions prescribed by the Secretary. The Secretary may approve assisted rents in excess of market rents (but not more than the rents in effect upon termination or expiration) for a particular housing project, but only if the Secretary finds that such market rents are not sufficient to cover reasonable operating expenses (excluding debt service) for that project, taking into account reasonable operating costs for similar properties.

(b) REPEAL.—The sentence immediately preceding section 8(w) of the United States Housing Act of 1937 (42 U.S.C. 1437f(w)) is hereby repealed.

Mr. LEWIS of California (during the reading). Mr. Chairman, to try to expedite this process, I ask unanimous consent that sections 202, 203, 204 and 205 be considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any points of order against this portion of the bill?

POINT OF ORDER

Mr. LEWIS of California. Mr. Chairman, I have a rather extended discussion of this point of order, but in view of the hour I will not proceed with all of it, but let me start with this.

Mr. Chairman, I raise a point of order against the legislation on grounds that 204 and 205 constitute authorizing on an appropriations measure and, therefore, violate clause 2 of rule XXI. These two sections are clearly legislation and they are not protected by the rule.

The CHAIRMAN. Does any other Member desire to address the point of order?

Mr. LEWIS of California. Mr. Chairman, may I ask unanimous consent that the remainder of my statement be entered in the RECORD?

The CHAIRMAN. The gentleman may not revise and extend his remarks on a point of order.

The Chair is prepared to rule.

For the reasons stated by the gentleman from California [Mr. LEWIS], the point of order is sustained. Sections 204 and 205 are stricken from the bill.

Mr. STOKES. Mr. Chairman, I move to strike the last word.

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

Mr. STOKES. Mr. Chairman, I rise in support of this amendment to strike legislation in this appropriations bill on HUD's Section 8 Program. Let me first acknowledge the hard work of the chairman on this matter. He has stated throughout this process that he intended to move this issue to the forefront of our deliberations and motivate the authorizing committees to take action. The action he took in this regard has, indeed, prompted the authorizers to move forward on addressing this issue. I want to also commend HUD for aggressively working to deal with this matter.

What Members and the public must realize is that this is not a partisan issue. We must all be concerned about persons needing affordable housing and how to provide adequate assistance. At the same time, we must consider the impact that the costs of renewing these contracts place on taxpayers and the budget.

I believe there is general agreement that HUD'S Section 8 Program is in serious need of restructuring. However, if there is one thing I have learned—from the long and numerous discussions on this matter—it is that there is no unanimity of opinion on exactly how to proceed. My basis of concern rests with ensuring that residents are protected from displacement, that we maintain and preserve decent and affordable housing, that communities and tenants have a strong role in determination of these matters, and that the Federal Government not pay inflated prices for these properties.

Mr. Chairman, the fiscal year 1996 Appropriations Act included a provision allowing the Secretary of HUD to conduct a demonstration program re-engineering up to 15,000 units of section 8 assisted housing. The Department is still studying this concept and no regulations have been drafted yet for its implementation. That is further reason for the committee to reconsider the appropriateness of this proposal. The quality of too many lives is at stake, and there are too many potential consequences for the American taxpayer, for Congress to enact this provision in the appropriations act, without the full weight and benefit of authorizing action.

I commend my chairman for his leadership on this matter and pledge my support to work with him and others to achieve these goals. I urge my colleagues to support this amendment to delete this legislation from the measure.

□ 2315

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

SEC. 206. FLEXIBLE AUTHORITY.—During fiscal year 1997 and fiscal years thereafter, the Secretary may manage and dispose of multifamily properties owned by the Secretary and multifamily mortgages held by the Secretary on such terms and conditions as the

Secretary may determine, notwithstanding any other provision of law.

AMENDMENT OFFERED BY MR. WELLER

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

The Clerk read as follows:

Amendment offered by Mr. WELLER: Page 58, after line 19, insert the following new section:

SEC. 207. FHA MORTGAGE INSURANCE PREMIUMS.—Section 203(c)(2)(A) of the National Housing Act (12 U.S.C. 1709(c)(2)(A)) is amended by inserting after the first sentence the following new sentence: "In the case of mortgage for which the mortgagor is a first-time homebuyer who completes a program of counseling with respect to the responsibilities and financial management involved in homeownership that is approved by the Secretary, the premium payment under this subparagraph shall not exceed 2.0 percent of the amount of the original insured principal obligation of the mortgage."

Mr. STOKES (during the reading). Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. Without objection, the amendment is considered as read and printed in the RECORD, and the point of order is reserved.

There was no objection.

Mr. WELLER. Mr. Chairman, first I would like to take a moment to commend my two friends, the gentleman from California [Mr. LEWIS] and the gentleman from Ohio [Mr. STOKES], for their extraordinary efforts to accommodate bipartisan concerns in supporting legislation while keeping our commitment to live within our means for the first time in 27 years, to keep us on the road to a balanced budget.

This amendment that I offer tonight is designed to help working families by working to help make homeownership more affordable. My amendment works to expand homeownership more affordable. My amendment works to expand homeownership opportunities for first time home buyers by working to lower the cost of FHA loans.

This amendment would lower the FHA mortgage insurance premium for first time home buyers who get ownership counseling. Currently the maximum rate is 2¼ percent of their loan value. This amendment would reduce that for these first-time home buyers to 2 percent. It would save the average FHA homeowner about \$200 in savings annually. I recognize there are some in Washington who might call \$200 chump change, not much money. But for working families back in Illinois and many of our home States and districts, \$200 is a lot of money.

I also want to point out that this amendment is needed to promote homeownership. I, for one, I know many of my colleagues on both sides of the aisle agree that homeownership is important in strengthening families and strengthening communities. In fact, the more homeownership you have, the higher rates of homeownership you have, the stronger the families you have, the stronger the communities.

I am particularly disturbed, if you look at the statistics today, particu-

larly for our younger families, homeownership is on the decline. In fact, the homeownership rates among heads of households under 35 years of age is three-fourths of what it was in 1979. In fact in 1979, 45 percent of heads of households under 35 were homeowners. Today, in fact, if you look at 1995 statistics, 39 percent of heads of households under 35 were homeowners.

Those statistics need to turn around. We need to receive greater opportunity for homeownership, to give families the opportunity to pursue the American dream. Unfortunately, we have seen the cost of homeownership increase this past year. Unfortunately, the House and Senate, Congress and the White House were unfortunately unable to reach a bipartisan agreement on a balanced budget.

Unfortunately, because of that failure to reach a balanced budget agreement, we failed to achieve the lower interest rates that would have resulted from a balanced budget. In fact, had a balanced budget been signed into law, the average 30-year home mortgage would have dropped about 2.7 percent according to economists. On a 30-year, \$50,000 mortgage at 8¼ percent interest, a family would see a savings of a little over \$1,000 a year or a little over \$32,000 over the life of that loan. A balanced budget would also increase the value of a home, home values, by 8 percent as a result of balancing the budget.

This past year we have seen mortgage rates go up 1 to 1½ percent. For the average homeowner, aspiring homeowner, young family who would like to buy a house, that means about an \$85 to \$100 increase in the monthly home mortgage payment because of higher interest rates.

This amendment is designed to restore those opportunities for homeownership, particularly for young families. It offers young home buyers, first-time purchasers the opportunity to better be able to afford a new home. This \$200-a-year premium reduction restores part of that lost opportunity to save an extra thousand dollars because of higher interest rates.

Increased ownership, homeownership equals increased home starts, increased jobs, increased opportunity, strengthened families and strengthened communities.

I do want to point out that this is kind of a bipartisan initiative. I do want to point out that the President himself, just a few weeks ago, endorsed this type of idea as a way to make homeownership more affordable. I ask bipartisan support for this amendment. I think it is time that we strengthen the opportunity for homeownership, that we strengthen families, that we help families pursue the American dream. Let us help families pursue that American dream by providing bipartisan support for this amendment which will help make homeownership far more affordable.

The CHAIRMAN. Does the gentleman from Ohio [Mr. STOKES] wish to be heard on the point of order.

Mr. STOKES. Mr. Chairman, I reserve a point of order against this particular amendment.

Mr. Chairman, I move to strike the last word.

Mr. Chairman, my purpose for reserving the point of order is to protect the rights of a couple of Members of the authorizing committee who have expressed an interest in this particular amendment. They will be here tomorrow. They are not here at this time because of the arrangements that the House made relative to the continuation of the debate on this bill.

I have no intention of insisting upon the point of order and hope that the gentleman does not put me in a position of having to insist upon it. I would request that, in order to preserve and protect the rights of those Members of the authorizing committee who have expressed concern about this amendment, he withdrew the amendment and offer it tomorrow at such time as those Members will be present.

I reiterate that I have no intention of pressing the point of order and simply use it for the purpose of protecting it. I would hope that the gentleman would withdraw and reoffer it tomorrow.

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

Mr. STOKES. I yield to the gentleman from Illinois.

Mr. WELLER. Mr. Chairman, in response to the gentleman from Ohio, of course, like all of us we have stuck around tonight because this is an important amendment. It is an opportunity to provide lower homeownership costs, particularly for young families and first-time home buyers.

All of us are working hard and willing to put in those extra hours. I always respect the rights of my colleagues on both sides of the aisle to speak on an amendment. Since you had raised that concern to me earlier, of course, I spoke with the floor manager of the amendment and I believe it is the chairman's intent, he would like to wrap up this section of the bill this evening. I would hate to jeopardize the opportunity to have this important amendment adopted and added to this very important bill.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Chairman, in order to keep all of our commitments, perhaps we would handle it this way. If it would meet with the gentleman's agreement, it is possible that the gentleman from Illinois [Mr. WELLER] could offer this amendment as a part of general provisions tomorrow and we could not only meet his needs and the commitment through the concerns that others have expressed to the gentleman regarding this amendment, we could also keep our commitment to close this title.

I am concerned that we do that. Would the gentleman agree to have unanimous consent that Mr. WELLER be able to take this up in general provisions tomorrow so we can finish with title II?

Mr. STOKES. Mr. Chairman, we would be pleased to cooperate with the chairman in that respect and let him offer it at that time.

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

Mr. STOKES. I yield to the gentleman from Illinois.

Mr. WELLER. Mr. Chairman, I appreciate the gentleman's interest in my amendment and his accommodating my opportunity to offer the amendment once again. I feel this is a very important amendment. The opportunity to accommodate, of course, the chairman of the subcommittee and working with the gentleman in his role as the ranking member, I do appreciate the opportunity to offer the amendment. I am anxious to work with them. I ask for the gentleman's support tomorrow when we have the opportunity to once again offer the amendment.

Mr. STOKES. Mr. Chairman, I have no objection to the gentleman's amendment. I just want to protect those Members. This accommodation will be fine with me if it is fine with the gentleman.

Mr. WELLER. Mr. Chairman, if the gentleman will continue to yield, I ask unanimous consent to withdraw the amendment for the purpose of offering it tomorrow during general provisions debate on this particular bill, title IV.

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

Mr. STOKES. Mr. Chairman, I withdraw my reservation of a point of order.

Mr. FOX of Pennsylvania. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise tonight in anticipation of the Weller amendment being before the House tomorrow in general debate. I rise in support of that amendment that we will be discussing tomorrow at length because it is going to expand homeownership opportunities.

There are many Americans who are one downpayment or one closing cost away from becoming first-time home buyers. And by having more homeowners in our communities, it will strengthen those communities. By having more homes built, we create more jobs. There, after all, is the American dream.

Alan Greenspan has told us about having a balanced budget. Interest rates for the mortgages on those new homes will decrease. So I would ask the Members, when they hear about further debate on the Weller amendment tomorrow, that they will support it. Republicans, Democrats together, House and Senate working together,

this will strengthen our communities. This will strengthen our families and, by reducing the cost, Mr. Chairman, of the FHA mortgage insurance premium, the first-time home buyers who receive ownership counseling by going from 2.25 percent to 2 percent, we would save the average FHA homeowner at least \$200 annually. This is a step in the right direction for first-time home buyers.

Mr. Chairman, I yield to the gentleman from Arizona [Mr. HAYWORTH].

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me.

I would like to thank the gentleman from Illinois for offering the amendment. The notion is empowering first-time home buyers. I would suggest, echoing the comments of my good friend from Pennsylvania, when we think about the fact that this amendment would save the average FHA homeowner about \$200 in savings on an annual basis and, while we are here talking about billions and indeed trillions of dollars, the fact is sometimes lost upon us, I would suggest, that \$200 is a significant amount of money for first-time home buyers. And indeed, if the notion of what we are here to do in this 104th Congress is to expand opportunity, to empower first-time home buyers to lead to more home sales and to expand homeownership opportunities, then I am glad to rise in support of the amendment. I, too, look forward to its offering tomorrow during the later debate on this amendment.

I look forward to supporting the amendment.

Mr. FOX of Pennsylvania. Mr. Chairman, I thank the gentleman from Arizona for his supportive comments of the Weller amendment.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

"TITLE III—INDEPENDENT AGENCIES"  
Mr. LEWIS of California. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.  
Accordingly the Committee rose; and the Speaker pro tempore (Mr. MICA) having assumed the chair, Mr. COMBEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3666) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes, had come to no resolution thereon.

□ 2245

RESIGNATION AS MEMBER OF COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

The SPEAKER pro tempore (Mr. MICA) laid before the House the following resignation as a member of the Committee on International Relations:

U.S. CONGRESS,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, June 12, 1996.

Hon. NEWT GINGRICH,  
Speaker of the House,  
Washington, DC.

DEAR SPEAKER GINGRICH: I am writing to officially resign from my seat on the Committee on Government Reform and Oversight in order to be seated on the Committee on International Relations.

Thank you.  
Sincerely,

JON D. FOX,  
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted. There was no objection.

#### ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. FOX of Pennsylvania. Mr. Speaker, by the direction of the Republican Conference, I offer a privileged resolution, House Resolution 462, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 462

*Resolved*, That the following named Members be, and they are hereby, elected to the following standing committees of the House of Representatives:

Committee on International Relations: Mr. Fox of Pennsylvania.

Committee on Transportation and Infrastructure: Mr. Frisa of New York and Mr. Tiahrt of Kansas.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HASTERT] is recognized for 5 minutes.

[Mr. HASTERT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

[Mrs. COLLINS of Illinois addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]