

The bill also streamlines procedures for public housing authorities to designate public housing facilities as "elderly only," "disabled only," or "elderly and disabled families only." S. 1494 provides the authority to evict from these designated facilities those whose pattern of drug or alcohol abuse would jeopardize the safety and security of the elderly and disabled residents. These provisions reflect concerns raised by advocates for the elderly about the mixing of elderly and disabled populations, but they provide a balanced policy that will help provide access to affordable housing for both of these special needs populations. Again, these provisions are similar to those contained in the Public Housing Reform and Empowerment Act.

S. 1494 also extends the Home Equity Conversion Mortgage Demonstration for the elderly through September 30, 2000, instead of the 1-year extension originally passed by the Senate.

The bill provides authority for the HUD Secretary to operate the low-income housing preservation program passed by Congress in the vetoed fiscal year 1996 VA-HUD appropriation bill. These provisions are necessary to prevent large-scale mortgage prepayments of FHA-insured mortgages and thus preserve the existing supply of affordable low-income housing.

In addition, S. 1494 creates a self-help housing program under which HUD will provide grants to capable nonprofit organizations, like Habitat for Humanity. Grant funds must be used for the payment of land acquisition and infrastructure costs. These funds will supplement donations and contributions of products, volunteer labor and sweat equity, on which groups like Habitat now depend.

Finally, S. 1494 authorizes only through September 30, 1996, the section 515 rural rental housing program administered by USDA's Rural Housing Service [RHS]. Before the program is authorized beyond the current fiscal year, oversight hearings should be held and reforms implemented to guard against waste, abuse, and misuse of funds. The RHS has taken significant steps to correct problems in the section 515 program which have been identified by the USDA IG and the GAO. However, legislative action is required to assure that program funds are allocated properly and that the program is not abused by developers, owners, or tenants. The Banking Subcommittee on Housing Opportunity and Community Development, which I chair, will hold hearings on the section 515 program early this spring.

• Mr. SARBANES. Mr. President, I rise in support of S. 1494, the Housing Opportunity Program Extension Act. This bill addresses some important and time-sensitive matters in the housing area. S. 1494 extends program authorities that have expired and makes some other needed changes in authorizing statutes. Finally, it provides HUD with the authority to support several na-

tional nonprofit organizations that are making a huge difference in America's communities. I thank the other members of the Senate for their support of this legislation.

S. 1494 extends several housing authorizations that expired October 1, 1995. Among these are the Community Development Block Grant direct homeownership assistance provisions, the Federal Housing Administration [FHA] multifamily insurance risk-sharing programs, and the Home Equity Conversion Mortgage program. Each of these programs is a valuable tool in our efforts to make sure that Americans remain the best-housed people in the world.

The program extensions on this bill also include the section 515 rural rental housing program and the set-asides within the program for nonprofit developers and for funding to underserved areas. This authorization is necessary because the Rural Housing Service at the Department of Agriculture has been unable to utilize its \$150 million appropriation until an authorization passed. Section 515 provides valuable, low-interest credit to support affordable rental housing in rural areas.

The bill also includes authority for the HUD Secretary to spend up to \$60 million supporting local nonprofit housing and community development activities. I would like to express my enthusiastic support for these provisions. The bill authorizes \$25 million for Habitat for Humanity, \$15 million for other similar self-help housing programs, \$10 million for the National Community Development Initiative, and \$10 million for National Cities in Schools. Habitat for Humanity affiliates have been operating in my State for years and creating homeowners among low-income families. The National Community Development Initiative combines Federal funds with funds from foundations to support capacity building for community-based nonprofits. Two terrific national nonprofit intermediaries—the Enterprise Foundation which is based in Columbia, MD, and the Local Initiatives Support Corporation—are key participants in the NCDI program and are factors in the NCDI program's success. The community-based nonprofit sector is an important and growing part of our delivery system of assistance to distressed communities. I am pleased with the recognition that this bill provides to these efforts.

Finally, Mr. President, I would like to highlight the language in the bill that permits HUD to renew expiring Section 8 moderate rehabilitation contracts. This provision overturns language passed on the continuing resolution that prohibited HUD from renewing moderate rehabilitation contracts. Clearly, HUD should not renew contracts on housing that is not decent, safe, and sanitary. Likewise, we are working with HUD to identify ways to reduce the cost of Section 8 contracts where rent levels are excessive. How-

ever, HUD needs to take a closer look at all of the developments assisted with project-based rental assistance and make decisions about their futures on a case-by-case basis. Before converting project-based assistance to vouchers, HUD should consider the future viability of the development, the ability of the project to support its existing financing, the availability of affordable housing for voucher holders, and the desirability of retaining long-term, affordable housing in that location.

ORDER OF BUSINESS

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

A BATTLE OVER THE PROMOTION OF NAVY COMMANDER ROBERT STUMP

Mr. GRASSLEY. Mr. President, I want to take a moment to speak about a battle that is raging over the promotion of Navy Comdr. Robert Stump. The battle is raging within the Senate Armed Services Committee, and it is being discussed, as well, in the press.

I have had my differences with this committee in the past, but I want to set the record straight. In this particular case, I think the committee is getting a bum rap. I think the Senate Armed Services Committee is doing the right thing.

Commander Stump's promotion to the rank of captain has been denied by the Senate Armed Services Committee. It was denied because of his suspected involvement in the inappropriate behavior at the Tailhook convention.

I support the committee's decision to deny the promotion, and I support it 100 percent.

Unfortunately, Commander Stump believes that promotion is an inalienable right. Sadly, he believes that the Senate should not sit in judgment of his character, or even make judgments about his character. So he has hired a lawyer and has been conducting a very ugly lobbying campaign.

The committee is getting hammered with bad publicity. His supporters argue that Commander Stump has been cleared of criminal wrongdoing. They argue that he is an innocent man, and they argue that he has been treated unfairly and that the flagging procedure should be abolished.

Being cleared of criminal charges does not tell me that Commander Stump is ready for promotion. Mr. President, this is a negative standard of judgment. A negative standard of judgment will not help to nurture the kind of topnotch leadership that the Navy so badly needs.

To decide whether he is ready for promotion to captain, we need unambiguous answers to at least 5 questions:

No. 1, has he demonstrated excellence in the performance of his duties?

Two, has he demonstrated excellence in leadership and discipline?

Three, does he always set a good example?

Four, does he care for and respect the men and women who serve under him in the Navy?

Five, and above all, is he a man of integrity?

In my mind, Mr. President, Commander Stump's activities at Tailhook raise questions about his ability to exert moral leadership. I personally like the controversial "flagging" procedures. This procedure was instituted by the Armed Services Committee. It is a procedure for identifying the files of promotion candidates suspected of inappropriate behavior at Tailhook.

There is a good reason for doing this. The committee does not want to get bushwhacked on the floor by Senators like me, and other Senators, who may be waiting for an inappropriate person to be advanced to the floor for confirmation when they should not be that far along in the process anyway.

If we discover that a prospective nominee has engaged in misconduct at Tailhook, or anywhere else, they know that certain Senators on this floor, including myself, will raise questions and maybe hold it up.

Too many Navy nominees have slipped through the Senate confirmation net when damaging information about them lay hidden in Government files. It usually leaks out to the press after the fact. If that information had been exposed to public debate, some of the nominations would have died. "Flagging" helps to fix this problem.

Mr. President, the only way to solve the Navy's leadership problem is to promote men and women who measure up to a standard of excellence.

I think it is clear that the Senate Armed Services Committee has done the right thing in this particular nomination.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TELECOMMUNICATIONS

Mr. PRESSLER. Mr. President, the Telecommunications Act of 1996, which passed on February 1 and was signed into law February 8, is only the first step in my reform agenda for national telecommunications policy. As comprehensive as the new Telecommunications Act is, there are a number of profile and policy issues we were not able to adequately address, which need our attention.

Over the coming months, the Commerce Committee will be examining

the Federal Communication Commission's regulatory structure. The key issue is whether the FCC, a regulatory agency devised in the 1930's, based on the ICC model from the turn of the last century, makes sense today as we prepare for the 21st century. We also need to ensure that Federal regulation does not become a roadblock to the deregulatory policy changes engineered by the Congress with enactment of the Telecommunications Act of 1996.

We also will move forward with national spectrum policy reform. I plan to chair four Commerce Committee hearings on spectrum policy reform, covering a broad range of issues concerning the management of the electromagnetic radio frequency spectrum. Although the issue of the broadcast advanced television spectrum captured headlines, there are a number of spectrum policy reform issues we need to address that are far more important. I intend to move the spectrum policy debate firmly back on the ground to the communications policy rather than the budgetary process which, to date, unfortunately, has dictated the terms of the spectrum reform debate.

Mr. President, the electromagnetic radio frequency spectrum is an important physical phenomenon—a natural, national resource. An increasing number of telecommunications enterprises depend on access to this resource. These enterprises include radio and television broadcasting, communications satellites, the complex air-to-ground systems needed to manage aviation, the wireless systems upon which law enforcement and public safety depend, and the burgeoning mobile radio telephone business—cellular phones and personal communications services [PCS].

Simply put, the spectrum is to the information age what oil and steel were to the industrial age.

Today, there is a limited supply of available spectrum and an almost limitless demand for its use. In other words, the spectrum is an enormously valuable yet finite natural resource. This is the crux of the problem with our current spectrum policy structure. Unless a reformation plan is developed that will create a more effective and efficient use of the spectrum, as well as a more stable supply of spectrum for private sector use, a vast array of new spectrum-based products, services, and technologies will go unrealized for the American people.

This is particularly disheartening when one considers the benefits that are derived from current spectrum-based technology. For example, direct broadcast satellite [DBS] has become a viable competitor to cable. High powered DBS satellites have the ability to process and transmit as many as 216 video and audio channels simultaneously.

Cellular is another spectrum-based technology that is worth mentioning. In 1962, AT&T was operating its first experimental cellular telephone sys-

tem. It was not until 20 years later that the first cellular licenses were handed out. Today, the cellular industry generates about \$14.2 billion in revenues a year and provides service to nearly 35 million customers.

From its very beginning, wireless communication has played a vital role in protecting lives and property and, subsequently, through the development of radio and television broadcasting, in delivering information and entertainment programming to the public at large. More recently, wireless, spectrum-based telecommunications services, products and technologies have proven to be indispensable enablers and drivers of productivity and economic growth, as well as international competitiveness.

Wireless technology can deliver telecommunications and information services directly: First, to individuals on the move, away from the office desk or factory floor, thereby increasing their personal productivity; and second, to fixed locations that cannot be served economically by wireless facilities because of physical infeasibility or prohibitively high costs. Wireless services are also critically important in bringing competition to the wireline telephone network, one of the key goals of the Telecommunications Act.

The use of this economic resource is largely determined through administrative licensing procedures first developed in the 1920's. Compared to that of most other countries, the U.S. spectrum management system allows for a broad degree of private sector involvement in spectrum. Yet, the system still involves a large degree of central government planning by federal regulators.

To a large extent, it is electromagnetic industrial policy.

The FCC must determine which services should be provided, the frequencies on which they will be provided, the conditions under which they will be provided, and often the specific technology to be used.

As with other systems of central planning, the spectrum management system currently utilized in the U.S. tends to result in inefficient use of the spectrum resource. Federal regulators—rather than consumers—decide whether taxis, telephone service, broadcasters, or foresters are in greatest need of spectrum. It is a highly politicized process. Most importantly, new services, products and technologies are delayed or, worse yet, denied. This obviously harms consumers.

It typically takes years to get a new service approved by the FCC. The lengthy delay in making cellular telephone service available, noted earlier, imposed tremendous cost on the economy. One study estimated that the delay cost the economy \$86 billion. As important, American consumers were denied a new productivity and security tool for many years.

Equally troubling, the system constrains competition. One of the most