

into a home, and there is the tattered photograph of the wedding picture, there is the mud-saturated picture of the graduation, and the appliances when you open the door. I think what I remember also, most of all, in addition to the tears, is the mud, the smell, and so on.

The first thing is that it breaks your heart. We want to make sure it does not break their pocketbook. That is what we can work on.

Hurt hearts. I believe the people of North Carolina will have so many communal ways that those hearts will be healed. But the immediate thing we can do is to make sure that the devastation to the pocketbook is not permanent and that they have the opportunity to restore a way of life.

So I just say to the Senator from North Carolina, Mr. EDWARDS, that he is not alone nor are those thousands and thousands of people. We have been thinking about you. We have been praying for you. Our hearts are filled with sadness that people have lost their lives. We really do not want to see the loss of their way of life.

Mr. EDWARDS. Will the Senator yield for a moment?

Ms. MIKULSKI. Yes.

Mr. EDWARDS. I want to take a moment to thank the Senator from Maryland and the Senator from Missouri for their very kind comments. I know they will, as they always have, step to the front and help the folks in North Carolina who need help so desperately.

I would add to that, I say to Senator BOND, that Senator HELMS is working very hard, the senior Senator from North Carolina, on this problem. He and I have talked about it on a couple of occasions already. We will continue to talk about it. He is working very hard on this problem. So is our Governor.

We appreciate very much your help and support. I appreciate your thoughts and prayers. This is one of those times where we need all the help and support we can get, I can promise you.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2000—Continued

Mr. BOND. I am prepared to enter into a colloquy with the distinguished Senator from Maine who has a matter of great importance in her State.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, let me begin by praising the terrific work done by the Senator from Missouri and the Senator from Maryland in putting together this appropriations bill. I know a lot of the issues are very dif-

ficult. They have worked together in a bipartisan way to come up with a bill that is responsible fiscally and yet meets some urgent needs of many people in our Nation. I commend them both for their efforts in this regard.

I appreciate the Senator from Missouri giving me this opportunity to engage him in a discussion on an issue of great importance to Maine and the Nation as a whole. That is the issue of providing fair Federal assistance to our homeless men, women, and children, regardless of where they live. Senator BOND and Senator MIKULSKI have been leaders in addressing housing issues affecting underserved and vulnerable populations, especially our Nation's homeless population.

Under their leadership, the Department of Housing and Urban Development homeless assistance grants have increased from \$823 million in fiscal year 1998 to \$975 million in fiscal year 1999. I am very pleased to note that the appropriations bill that is before us now would further increase funding for vital homeless assistance grants by providing a little more than \$1 billion for these critical programs.

Senator BOND's continued dedication to this vital and often forgotten issue has served the public well, as has the commitment of the Senator from the State of Maryland. I salute them for their effort to direct the funding of the resources to those most in need.

Mr. BOND. I thank the Senator from Maine for her kind words. I know of her personal commitment to helping the homeless. I strongly support these important programs which do benefit the homeless men and women in America. I hope we can come up with a permanent solution to homelessness, especially for those persons with mental disabilities.

Ms. COLLINS. Although Congress has done a good job in recognizing the need for more funding in this area to serve this very vulnerable population, I have become extremely concerned about the process that the Department of Housing and Urban Development has used to award a particular kind of homeless grant, and that is the continuum of care grant. This has been a real problem in my State, and I suspect the Senator from Missouri has heard from other States as well.

Mr. BOND. Unfortunately, we have had a number of Members express to us their concern about the continuum of care grant award process. Many believe that the HUD process has proven to be confusing for applicants and perhaps even incomprehensible to anyone outside the HUD compound.

Ms. COLLINS. I note that has been exactly the very unfortunate experience in my State. Let me give you a little background.

The needs of the homeless population in Maine have increased in recent years. Often when we think of the homeless, we think of large cities. In fact, there are homeless people throughout this Nation, including in rural States such as Maine.

From 1993 to 1996, Maine's homeless population grew by almost 20 percent. It is estimated that more than 14,000 people are homeless in my home State today. Despite this great and growing need, however, the Department of Housing and Urban Development denied both the applications from the State of Maine for continuum of care funding last year. In effect, the HUD competitive homeless assistance funding distributed to the State of Maine went from \$3.7 million to zero. You can imagine the impact on my State.

Moreover, we were stunned by HUD's decision because Secretary Cuomo, in 1998, had awarded Maine's programs with the HUD "best practices" awards of excellence.

A vigorous public campaign by people in Maine and repeated efforts by the congressional delegation ultimately compelled HUD to provide \$1 million to the city of Portland to renew certain projects. This money, though welcomed, was far from sufficient to allow the State to meet the needs of its homeless population.

That is the experience I wanted to share with the Senator from Missouri and the Senator from Maryland.

Mr. BOND. What happened to Maine, and other States, in the competitive award process simply should not have occurred. To me, it is quite puzzling. As many of us know, the problem of rural homelessness is complicated; it is pervasive. I live in a rural area. Rural areas have higher poverty rates and a higher percentage of the population living in inadequate housing, which are key factors contributing to homelessness. Providing service to the rural homeless is not easy. It is complicated by distance, isolation, and lack of effective communication.

Ms. COLLINS. It seems to me that HUD needs to understand the impact on the homeless, on the very people we are trying to serve, of simply shutting States out from the housing award process. HUD needs to take greater care to work with States where funding may be in peril in order to ensure that we are not hurting the homeless people of our Nation.

Contrary to what HUD seems to think, homeless men and women do not disappear. Their needs do not disappear when funding is cut off. In fact, their desperate needs still exist.

To address these problems, I have introduced a Senate bill which would require a minimum distribution of continuum of care homeless assistance funding to each State. I realize that I cannot offer that on this bill because of the rule XVI issue, but I hope the chairman and the ranking minority member will agree with me that this is an important issue.

Would the chairman agree that the goal of HUD should be to make every effort to ensure that every State can receive some homeless grant funding because every State has homeless people, unfortunately?

Mr. BOND. I certainly agree with the sentiments expressed by the Senator

from Maine. I am very sympathetic to the intent of the bill. As she has pointed out, we are not able to accept it on this bill. But I do look forward to working with the Senator from Maine, and the many other Senators who expressed their concerns, to ensure that HUD does meet the homeless needs of every State.

In the past, I have been a strong supporter of using block grant approaches to the States, which I think can best serve the needs of the homeless. We look forward to working with the Senator and the authorizing committee to solve the current HUD award process problems.

I thank the Senator from Maine for bringing this very real and very compelling problem to our attention. I assure her we will continue to work to resolve the problem.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Maryland.

Ms. MIKULSKI. Mr. President, a comment on the remarks made by the junior Senator from Maine. I, too, share her concern to ensure that the needs of the homeless are recognized, and we try to do that in our bill. As she knows, under this bipartisan coalition, we increased funding for the homeless by \$45 million. We have to talk about not only more but how it is distributed.

I share the Senator's concern about the rural homeless because it is not only isolated but it is often invisible because of distance and the very culture of small towns and also, I might add, in Maine, that Yankee spirit of "we take care of our own," not wanting "to turn to charity," yet at the same time facing very rugged winters, some of which now, with fall weather, are on their way. So when we think about Maine, it is not all L.L. Bean catalogs and fall foliage. It is some very serious problems.

We want to work with the Senator on it. Know that we face some of these same rural issues in our own home States. I thank the Senator for bringing even more heightened visibility in our debate.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Mr. President, I thank both my colleagues for their assurances. I hope we have sent a very clear signal to HUD that it needs a funding process that ensures the needs of our homeless men and women and children, no matter where they live, are being met. It is particularly important in a State such as Maine, where our winters can be quite severe, that we provide that kind of shelter and assistance in helping people not only get a bed for the night but to put their lives back together.

I thank my colleagues very much for their assistance in this matter, and I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Mr. President, I begin my brief comments this afternoon by com-

plimenting our colleagues, Senators BOND and MIKULSKI, for a fine piece of work on this legislation under what were less than ideal circumstances, I am sure. I know they have labored long and hard to craft a bill that will meet the needs of our fellow constituents across the country. I, for one, appreciate their labors.

I rise in the spirit of making this product even better. In particular, I rise in support of what I understand will be an amendment offered by Senator KERRY in the area of section 8 housing. I do so not only because I believe the merits of his amendment warrant our support, but also because I believe the American dream of quality affordable housing should be extended to every citizen across our country because I believe in the emphasis that we have been placing upon personal responsibility. Along with that must go the tools to ensure that every person has a chance to make personal responsibility become successful, and no one can deny that quality affordable housing is one of those basic building blocks of opportunity in our society.

Finally, I rise in support of this prospective amendment because I believe in fiscally responsible solutions to the challenges that face America. Few can argue that quality affordable housing is a challenge that continues to face our great country.

For well nigh a generation, there was a bipartisan consensus across our land for quality affordable housing for all Americans. This consensus was interrupted in 1995, when additional section 8 housing opportunities were frozen in place after more than 2 million Americans had been helped over the previous 18 years. Starting this fiscal year, we began to see a thaw in the freeze, but unfortunately the legislation now before this body would reinstitute that freeze. It is ironic that at a time of unparalleled prosperity for so many Americans we should see a freezing of the opportunities in the area of affordable housing. While 1 million elderly are finding themselves in a position where more than 50 percent of their disposable income is spent on rent or substandard housing, 2 million families with children find themselves in this position. More than 22,000 Hoosier families in my capital city of Indianapolis alone find themselves in a position of devoting a majority of their household income to rent or to substandard housing.

As we gather, 1 million Americans find themselves on waiting lists. The question before us is, How long must they wait. In some cities—Philadelphia, Los Angeles and others—families find themselves in a position of waiting for years, waiting with dreams deferred, hopes delayed, opportunities lost, this at a time when our robust economy and market conditions are driving rents up, pricing too many American families out of the market for quality affordable housing.

My answer to the question of how long they must wait is that the time is

now to act. The time is now to act to extend the opportunity of quality affordable housing to every corner of the land, to prevent this from becoming the first generation of Americans to be divided into classes of haves and have-nots. Now is the time to put flesh on the bones of personal responsibility, to ensure every family that is willing to work hard, play by the rules and save has a chance to get ahead and realize the American dream of quality affordable housing.

Now is also the time to put into place fiscally responsible solutions to the challenges that face our great land. This proposed amendment by Senator KERRY is fiscally responsible. We will be taking money that was saved from this year's budget in unused welfare-to-work vouchers and using it for 50,000 new section 8 vouchers, which are also important for making the welfare-to-work process a success.

I add my voice as strongly as I know how to Senator KERRY, to the Secretary of Housing, to Senator MIKULSKI, and my other colleagues who believe if we are to be a great nation, and not just a prosperous one but a compassionate one, we must address the unmet needs of housing for those who are less fortunate across our land. I conclude my remarks by saying: If not now, when our land is filled with plenty, then when?

I urge the adoption of this amendment. Again, I thank Senators BOND and MIKULSKI for their yeoman's work. I think we can make a good bill even better by adopting this amendment.

I yield the floor.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I rise in support of the VA-HUD appropriations bill. I am a member of the Subcommittee on VA, HUD, and Independent Agencies, and I know the severe funding challenges faced by Senator BOND, our chairman, and Senator MIKULSKI, our ranking member.

They and their staffs have done an outstanding job in meeting the many priorities of this bill: critical health care services for veterans, homeless assistance funding for continued research in space, and funding for important environmental infrastructure projects along the United States-Mexico border.

I can't adequately describe the pride I feel in the committee's decision to make veterans programs the highest priority in the bill. The committee provided \$1.1 billion above the President's budget request for medical care for veterans. This increase will help address newly emerging health care challenges, such as the high incidence of hepatitis C among veterans, emergency care, technological advances in medicine, patient safety, and long-term and end-of-life care. I appreciate the commitment and sacrifices made by the men and women who served our country in wartime. This increase is worthy of them and worthy of the Senate.

I am proud of the committee's decision to fully fund NASA at \$13.6 billion. The House dealt NASA a devastating blow in their VA-HUD bill, cutting the programs by almost \$1 billion. The funding provided in this bill underscores the Senate's ongoing support for exploration of the final frontier, including the space shuttle and the international space station.

The international space station is the most ambitious scientific project ever undertaken. The efforts and resources of 14 nations are involved in the design, construction, and operation of the orbiting laboratory. Assembly of the international space station has already begun. We expect the international space station to provide unparalleled scientific research opportunities. It will enable advances in medicine, materials science and earth observation, new technologies developed in a microgravity environment, and accelerate the technology and engineering in Earth-based industries. Quite simply, the space station will maintain U.S. global leadership in space science and technology. And its successes will be felt by all of us here on Earth. The space shuttle's capabilities and versatility are unmatched by any spacecraft in the world. The space shuttle has been, and will continue to be, a critical element in space exploration well into the 21st century. The shuttle is also the vital transportation link in the assembly and utilization of the international space station. With plans, upgrades, and improvements by both NASA and industry, the space shuttle will continue to play a major role in future space exploration.

Finally, we are providing the ongoing support of the Senate for the poorest part of our Nation, the United States-Mexico border. This bill provides \$50 million for critical water and wastewater projects on the southwest border, most of which will be administered by the North American Development Bank.

As an aside, when I first came to the Senate, I brought up the critical issue of environment and diseases on the border. It was at that time when the now ranking member, Senator MIKULSKI, was the chairman of the subcommittee and she said, "This is outrageous in America and we are going to do something about it." That was the first funding that we got for the colonias on the border, where citizens of our country are living in filth. I appreciate that. We have added to that \$50 million every year since I have been in the Senate, and now under the leadership of Chairman BOND.

Washington, DC, is a long way from the border. Recently, I visited colonias—these colonies—along our border that have no infrastructure. I visited colonias near Laredo and McAllen, TX. On rainy days, the unpaved streets in these colonias wash out, making it impossible for schoolbuses to enter the neighborhood. Children walk to school on mud-filled

streets and yards, sometimes flooded with human waste that is overflowing from inadequate septic systems. Texas has nearly 1,500 of these subdivisions, with a population of nearly 350,000 people. The numbers in the other southwest border States are equally as staggering.

The \$50 million we provide in this bill, added to the \$300 million that has accumulated in years past, continues the commitment we have made to end this national shame. No person in the United States should live as do the people in these colonias. I appreciate Senators BOND and MIKULSKI working with me to give this matter the proper attention in our subcommittee.

I also want to mention we are working on another amendment that would deal with the phase II stormwater sewer regulations that are so important to our smaller counties around the country. I hope the EPA will work with us to try to make sure we don't put regulations on these smaller counties that they can't possibly accept and do not have the funding to do.

The VA-HUD appropriations bill is good for our Nation. I thank the chairman and ranking member for their hard work and sensitivity to the critical issues in this bill.

I yield the floor.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, I ask unanimous consent to proceed as in morning business for 15 minutes.

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

(The remarks of Mr. DEWINE and Mr. HAGEL pertaining to the introduction of S. 1617 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. I thank the Chair.

Mr. President, first I would like to ask unanimous consent that Senator DICK DURBIN be added to amendment No. 1744, the Byrd, Stevens, Bond, MIkulski \$600 million VA-HUD amendment.

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

AMENDMENT NO. 1777

Purpose: To make an amendment with respect to a special purpose grant for the community of Kohala in the County of Hawaii.)

Ms. MIKULSKI. Mr. President, I wish to propose a technical amendment in behalf of Senator INOUYE. This amendment is simply a technical and correcting amendment. It makes a technical correction to a HUD grant previously awarded to Hawaii. It has been cleared on both sides of the aisle.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Maryland (Ms. MIKULSKI), for Mr. INOUYE, proposes an amendment numbered 1777.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. _____. Notwithstanding any other provision of law, the amount made available under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991 (Public Law 101-507) for a special purpose grant under section 107 of the Housing and Community Development Act of 1974 to the County of Hawaii for the purpose of an environmental impact statement for the development of a water resource system in Kohala, Hawaii, that is unobligated on the date of enactment of this Act, may be used to fund water system improvements, including exploratory wells, well drillings, pipeline replacements, water system planning and design, and booster pump and reservoir development.

Ms. MIKULSKI. Mr. President, as I commented, it is technical and correcting and has been cleared on both sides.

Mr. BOND. Mr. President, we accept the amendment and urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1777) was agreed to.

Ms. MIKULSKI. I move to reconsider the vote.

Mr. BOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. BOND. Mr. President, this is a good time to do a couple of things. We started off with a good pace and had a major amendment approved by voice vote. Then we had votes on two more amendments. We have had some wonderful speeches and some great colloquies. We are open for business. It is daylight. We want to get people here because we face a tremendous deadline with the end of the fiscal year approaching. We need to get this bill passed this week to make sure we keep these agencies funded. I ask colleagues on both sides of the aisle, please, if you have amendments, colloquies, or items we need to deal with, please bring them. Otherwise, I am ready to go to third reading in the not too distant future.

Something has been brought up which I hope we can spend some time discussing. A number of my colleagues have talked about the tremendous need for housing. They have equated that with the need for additional section 8 incremental or additional assistance.

I want to go through some of the difficult problems we face. Perhaps as I straighten out in my own mind the complexity of section 8, my colleagues will understand why we came to this point. This bill does not provide any of the 100,000 incremental section 8 vouchers requested by the President. The addition of these vouchers to the bill would cost an additional \$578 million per year. Last year, we agreed to the President's absolutely necessary request for 50,000 additional section 8 vouchers. We pointed out at the time that this caused a real problem, and we would need additional money to fund them in future years. The representatives of the administration assured Members they would make provisions for that additional required budget authority.

What did we get this year from the administration? We received a request that we defer \$4.2 billion in budget authority to the following fiscal year. In other words, they were not able in their budget presentation to fund existing certificates, the section 8 vouchers, before we added the incremental, and they asked that \$4.2 billion be deferred. In other words, their recommendation to us was \$4.2 billion less than is needed to renew section 8 vouchers on a full-year basis in fiscal year 2000. That ought to demonstrate there is a problem.

Let me explain as best as I understand it what the problem is. The section 8 account is one of the most difficult accounts for funding in the bill. Not only would the administration's request for 100,000 new incremental vouchers result in an annual cost of almost \$600 million each year, it does not acknowledge or address the long-term funding needs of this account. Let me be specific. We currently fund some 3 million section 8 vouchers or assisted living units, as well as 1.5 million public housing units. Much of the cost of these 3 million units is hidden, meaning the annual cost in outlays is some \$20 billion. In other words, we are paying out this year \$20 billion in section 8 vouchers. We appropriate around here on budget authority. Most of the costs were accounted for in previous year's budgets when the Congress approved long-term 15-year and 20-year section 8 contracts.

Now, the budget authority was committed in future years, but they said OK, Congress, you are going to have to pay out all that money each year in outlays. What is even worse, the budget authority requirement each year goes up because as contracts expire, we renew contracts on a year-to-year basis. We have to put that budget authority in each year's budget. As these contracts expire, we have to pay for the expiring contracts as an annual recurring cost in the section 8 account.

Let me show you a chart. This is how the budget for section 8 has gone up. In fiscal year 1997, we only had to appropriate \$3.6 billion in budget authority to cover the \$20 billion or so, almost

\$20 billion in section 8 vouchers. The next year, we had to come up with budget authority of \$11.1 billion. In the current year we would have had to come up with \$12.8 billion, but we have adopted, because of the tight budget, the administration's proposal to defer \$4.2 billion of that into fiscal year 2001.

Guess what happens. We are coming into fiscal year 2001 about \$8 billion short in budget authority. If we are to fund the existing contracts next year, we are going to have to come up with \$8 billion more in budget authority. The news does not get any better. The next year, we would have to come up with \$15.6 billion, the next year \$17.0 billion, the next fiscal year 2004, \$18.2 billion.

This year, the administration has requested and we have proposed deferring \$4.2 billion. So we took the easy out. The only easy out was deferring that \$4.2 billion in budget authority for those portions of the section 8 vouchers which would actually have to be funded, actually outlaid in fiscal year 2001.

That is confusing. I have worked on it for a long time. I am happy to work with any of my colleagues who have questions about it. With the help of staff, I think we can explain it. However, we made long-term commitments in budget authority. Each year, we have been spending outlays at a very high level. However, we can't get the budget authority to rise to the level needed to maintain those outlays.

What is worse, in the HUD budget submitted by OMB—this is their 10-year budget. This is the budget projection they sent us—for this year, they said budget authority is right about what is needed, close to \$14 billion. But for the coming year, the next year, they have lowered that to \$11.3 billion for BA.

Here is the BA need creeping up each year. Each year, it increases. The long-term projection of OMB, the President's budget, the budget of the Department of HUD, is to keep that budget authority at a flat level of \$11.3 billion. What would happen if that occurred? Very simply, 1.3 million families or elderly or disabled would have to be kicked out of section 8 housing over the 10-year period. We do not have the budget authority, we do not have the funds, to continue supporting those residents who depend upon section 8 housing. That, to me, is a major problem. We have been forced, out of necessity, to defer \$4.2 billion in section 8 assistance until 2001.

While we have adopted this proposal—some would call it a gimmick—let's say, because everybody seems to agree on it, this necessary budget tool for the year 2000, we have done so unwillingly and with the great concern that this will create a nearly untenable budget hole for next year, 2001, when we have to fund section 8 contract renewals by an increase of some \$8 billion, for a total of \$14 billion.

In fiscal year 2000, some \$6.8 billion was needed for section 8 contract re-

newals, but in 2001 we have to make up the \$2.2 billion in advance appropriations. So we are going to have to find some way to get an additional \$6.8 billion and still defer the budget authority for outlays in future years to those future years.

I am extremely worried about how HUD is handling this very complicated and difficult problem. We understand that HUD has underestimated renewal needs for this year and is close to running out of section 8 renewal funds. We are very concerned that we will not be in this position when that happens next year.

The problem is, as I said in my opening statement, that HUD is a high-risk area designated by the General Accounting Office, the only Department so designated. HUD's management deficiencies are particularly acute in the section 8 area.

Part of the problem is that HUD loses some \$900 million per year in its public and assisted housing programs due to fraud and abuse in the collection of rent in the assisted housing program. If HUD and its agents were able to collect this \$900 million, some 135,000-plus additional low-income families could receive section 8 assistance annually. That is why we have added \$10 million in this budget for the inspector general to hire outside professional help to try to identify where those funds are being lost and to find some means of recovering those because that is a tremendous loss.

Let me explain another problem. A major problem with section 8 is, while section 8 is one of the most important Federal housing programs, it is not a panacea for providing affordable housing for low-income families. While vouchers do provide choice in housing for low-income families, the fair market rent restriction is currently set at the 40th percentile of the housing market, and therefore it severely curtails housing choice. As a practical matter, this has created market distortions in the availability of section 8 housing, leaving many low-income assisted families in very-low-income neighborhoods living in substandard housing.

In a number of areas, families with vouchers are unable to use their vouchers to obtain affordable housing. I am told in St. Louis County their public housing authority has to release 100 vouchers to get 50 vouchers that are actually used because half the people who are given the vouchers cannot find housing. The lack of choice can also result in de facto redlining.

HUD has also suggested that incremental vouchers will mean the construction of new low-income housing units. I disagree. There is absolutely no evidence that incremental 1-year section 8 assistance will ever leverage construction funding. When we went from the 15- or 10-year down to 1-year, we took away the financing incentives and the basis for constructing low-income housing to fulfill section 8 needs.

I agree with HUD in that we do not have enough low-income housing units.

We need to develop a housing production program with deeper targeting than the low-income housing tax credit program. This should be a theme in the next Congress. We need to continue to fund HOME and CDBG, which are used by communities to provide additional housing. We need the additional funds we put in section 202 housing to build housing for the elderly. We need to continue to work with organizations that are present in every State, and which we celebrated in Missouri on Monday with the 100,000th home through the Enterprise Foundation. Enterprise, Enlist and others are building affordable homes. Habitat for Humanity does a great job of rebuilding homes.

But, frankly, there are many problems with the availability of affordable housing that go far beyond the availability of incremental section 8 vouchers. We have not identified the means to pay for the section 8 vouchers that we have already. Unless and until we do, I fear it is a hollow promise, to add incremental vouchers when we cannot assure that those people who now have them will be able to continue to get the vouchers and continue to get that housing assistance in the future.

I assure you, this committee, and I believe everybody in Congress, wants to continue them. We are going to do everything we can to assure renewal, but right now it is a huge financial and budgetary task. We do not have the answers on how we are going to do it. Before we start adding incremental housing, I ask that somebody sit down and work with us on how we will pay for them next year, the year after, and the year after.

We are going to be revisiting this issue frequently on the floor. I wanted to give that background so people will know what I am talking about when I say we have a tremendous wave of needs coming in for budget authority for section 8. We do not have the money. There is no projection we are going to get it. Before we continue to increase that outyear bow wave, we need to have some assurance we will be able to fund it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 1778

(Purpose: To increase funding for lead hazard control)

Mr. REED. Mr. President, I have an amendment at the desk which I ask be called up.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Rhode Island [Mr. REED], for himself, Ms. COLLINS, and Mr. TORRICELELLI, proposes an amendment numbered 1778.

Mr. REED. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 42, line 12, strike "\$80,000,000" and insert "\$100,000,000".

At the appropriate place in title II, insert the following:

SEC. _____. (a) There is appropriated out of any money in the Treasury that is not otherwise appropriated for fiscal year 2000 for expenses necessary to carry out section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$20,000,000.

(b) Each amount appropriated or otherwise made available for each program, project, or activity relating to salaries, expenses, and program management under title I, II, or III of this Act (other than this section) that is not required to be appropriated or otherwise made available by a provision of law is reduced by the uniform percentage necessary to reduce the total amounts appropriated for such programs, projects, or activities by \$20,000,000.

Mr. REED. Mr. President, let me thank my colleague, Senator FEINGOLD from Wisconsin, who was here before but graciously allowed me to go ahead to introduce this amendment.

Also, having come to the floor earlier today and not only commended Chairman BOND and ranking member MIKULSKI for their valiant efforts to reach priorities in very limited financial circumstances, I will announce up front I am going to propose this amendment which would increase lead funding as a means to talk about the issue, but I will withdraw the amendment in recognition of not only the serious efforts the chairman and ranking member have made, but also in recognition that last year when I came to the floor, both Senator BOND and Senator MIKULSKI were instrumental in increasing the appropriation by \$20 million and, indeed, holding that appropriation at conference. So I am very confident, with their efforts, they will continue to work hard to make sure this remains a critical priority.

The problem of lead exposure to children in the United States is something that I believe is critical, one that we must address. I have been supported in that opinion by many of my colleagues.

Earlier this year, 14 of my colleagues joined me in a letter urging the chairman and the ranking member to do all they can to increase appropriations for lead abatement in this appropriations bill. Those colleagues include Senators JEFFORDS, SPECTER, LEAHY, LAUTENBERG, CHAFEE—my colleague from Rhode Island—SCHUMER, DODD, LIEBERMAN, KERRY, BOXER, KOHL, SNOWE, TORRICELELLI, and DURBIN. All of them from across this country recognize the critical need to eliminate lead exposure, particularly with respect to children.

But there are two of my colleagues who deserve particular praise. Senator COLLINS and Senator TORRICELELLI are cosponsors of this amendment. Senator COLLINS has been a strong and very effective advocate for this program of lead abatement.

I was pleased to join her in Providence, RI, several weeks ago for a hearing of the Public Health Subcommittee, where we looked at lead

paint exposure to children in Rhode Island. It was a very good hearing. I am pleased to say I will be able to join Senator COLLINS in Maine in a few weeks to have a similar hearing.

Senator TORRICELELLI and myself have been very active not only with respect to this issue but also with respect to the issue of appropriate screening and treatment for children who have elevated levels of lead in their blood systems.

I admit that over the last 20 years we have made significant progress in our society with respect to exposure to lead principally because we have banned lead paint, we have banned lead solder in food cans, and we have deleaded gasoline. This has resulted in significant reductions.

But, nevertheless, nearly a million children enter kindergarten each year with elevated levels of lead in their blood. This is a preventable problem. This is a problem, if it is not prevented, that causes serious cognitive development problems with children. This is also a problem that is not exclusive to one part of the country.

In fact, if you look at cities across the country, you will see there are elevated blood lead levels in children.

In Baltimore, for example, there is a lead poisoning rate of 27.9 percent. Almost 30 percent of the children who are tested have elevated lead levels. In Milwaukee, 22.5 percent; St. Louis, 23 percent; Chicago, 20.6 percent; Philadelphia, 38 percent; and Memphis, 12.1 percent. This is a nationwide problem. The major cause of this exposure is lead paint in the homes of these children.

Indeed, children who are in low-income circumstances, particularly children who are living in housing that was constructed before 1974, are significantly vulnerable to lead exposure and lead poisoning.

More than half the U.S. housing stock was built prior to 1978, so as a result we have thousands and thousands of units that still contain lead paint which is the source of contamination for these young children.

In fact, it has been estimated that 20 million housing units throughout the United States contain hazardous levels of lead paint.

In my home State of Rhode Island, it is estimated that about 90,000 units present moderate to high lead paint exposure risks to children who live there.

This is a very difficult and expensive problem to deal with. It has been estimated that to modify and to remediate all these homes in my own home State, it would cost about \$300 million. To deal with every seriously contaminated residential unit in the United States would cost something on the order of \$500 billion. But those costs also must be measured against the cost of doing nothing, the cost of allowing children to be exposed to lead paint, and those costs are dramatic and severe.

Many educators point to lead paint exposure as one of the reasons why special education costs are so high. In

fact, it has been estimated that children with elevated levels of lead in their blood are seven times more likely to drop out of school before finishing high school. These costs are significant and severe. I think we have the obligation to try to remedy this problem before these children are exposed, before their academic, intellectual, and emotional development is impaired by exposure to lead.

Since 1992, the Office of Lead Hazard Control in HUD has been dealing with this issue, principally through their Lead-Based Paint Hazard Control Grant Program. They have been able, since 1993, to provide \$435 million to the States—31 States and the District of Columbia—to deal with this issue.

These States have used the money for testing young people for exposure, inspecting and testing homes, modifying homes; in fact, to even relocate children who are exposed and the home cannot be modified.

I have seen the results in Rhode Island.

Since 1993, in Rhode Island, we have been able to perform lead abatement in more than 500 homes. But it costs money, the kind of resources that we need to incorporate in this bill, the kind of resources that are necessary to address a problem that spans this Nation.

My amendment would propose an increase of \$20 million for the Office of Lead Hazard Control. It would be offset by an across-the-board cut in salaries, expenses, and other program management budget items in the HUD budget.

AMENDMENT NO. 1778, WITHDRAWN

Recognizing the severe constraints that the chairman and the ranking member are laboring under, recognizing the fact they are already demonstrating a commitment to provide for these resources, I withdraw this amendment in the hopes that as we go to conference, under the leadership of Senator BOND and Senator MIKULSKI, we can find additional resources to address this extremely important and critical issue that affects the health and welfare of our children.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. REED. I again thank the chairman and the ranking member and yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

FEDERAL DAIRY POLICY

Mr. FEINGOLD. Mr. President, I rise today to discuss possible legislation that would devastate family dairy farmers throughout the Upper Midwest.

I understand that the Agriculture appropriations conference committee may report a bill that contains poison pill dairy amendment that threaten the livelihood of dairy farmers throughout the United States.

I call them poison pills because they threaten to scuttle the entire Agriculture appropriations bill.

It is my duty to my constituents as a Senator from the great dairy State of Wisconsin to make my colleagues aware of these possible actions, and their insidious effects on America's dairy industry, and the effect they may have on our ability to move legislation in these waning days of the 104th Congress.

Our current system is hopelessly out-of-date, and completely out-of-touch with reality. Fortunately for our farmers—and I am grateful for this—the USDA has proposed a rule that would begin to modernize our antiquated system.

According to the Secretary of Agriculture, the new system “more accurately reflects the current market condition, is fairer to farmers and consumers alike, modernizes and reforms an antiquated system sorely in need of streamlining and revision.”

In fact, according to the USDA, dairy farmers would have earned 87 cents per hundredweight more for Class I milk under USDA's reforms than under the current system.

For 60 years, America's dairy policy has both imposed higher costs on taxpayers and consumers, and at the same time destroyed tens of thousands of family farms.

This destructive policy has to go. We need to restore equality to milk pricing, stop regional bickering, and work to ensure that all of our Nation's dairy farmers get a fair price for their milk. My message is simple: our Federal dairy policy is hopelessly out of date, fundamentally unfair, and in dire need of reform.

Congress created the current Federal dairy policy 60 years ago when the upper Midwest was seen as the primary producer of fluid milk. During the Great Depression, many worried that consumers in other parts of the country, including young children, did not have access to fresh milk because of inadequate refrigeration and transportation technology.

To address these concerns, Congress at that time set up the so-called Eau Claire system, under which producers were reimbursed according to their distance from the small town—I shouldn't say small town; it is a pretty good-size town for Wisconsin—the great town of Eau Claire, WI, in my home State. It is a little unfair to call this the Eau Claire system because it is a lousy system and Eau Claire is a great town. I like calling it the anti-Eau Claire system. My daughter is happily ensconced at the University of Wisconsin at Eau Claire, a huge fan of Eau Claire. But it is generally called the Eau Claire system. So be it.

This is how it works. The farther away a farmer lives from Eau Claire, WI, the more he receives for his fluid milk. Under this system, Eau Claire, WI, geographically, is ground zero when the fallout of artificially low prices lands most harshly on Wisconsin dairy farmers and their neighbors in the upper Midwest.

Back in the days of the Great Depression, apparently this system seemed to be a great idea. But like delivery in old metal milk cans, the current system is obsolete, failing to meet the needs of either producers or consumers. Six decades ago, the poor condition of America's infrastructure and the lack of portable refrigeration technology prevented upper Midwest producers from shipping their fresh milk to other parts of the country. In order to ensure an adequate milk supply in distant regions, Congress authorized higher fluid milk prices outside the upper Midwest. These higher prices are referred to as class I differentials. Let's take a look at how this system rewards producers in different parts of the country.

This chart illustrates the class I differential received by dairy farmers throughout the United States. In Eau Claire, WI, the class I differential is \$1.20 per hundredweight. You will notice that it is \$1.40 in Chicago. It is \$1.92 in Kansas City, MO, and \$3.08 in Charlotte, NC. Our friends in Florida receive \$3.58 in Tallahassee and \$4.18 per hundredweight in Miami for the exact same amount of milk that we produce in Wisconsin. So class I differentials are an arbitrary measure of the cost of milk production.

In fact, in recent years, when our dairy farmers have tried to sell their milk in Chicago—in Chicago, a very close distance to Eau Claire and the other Wisconsin communities compared to other places in the country—when they have tried to sell their milk in Chicago, they have been beaten out of that market by milk from the South and the Southwest. That is a sign of an archaic system. This archaic system was designed to make these regions produce milk for their own needs so children in Texas could have fresh milk, not so their producers could unfairly compete against Wisconsin dairy farmers in Chicago. Unfortunately, this system worked too well. The chief result of this system, the only real result of this system, as far as I am concerned, is that our Midwestern farmers are now subsidizing farmers in the Southeast and in the Northeast through these higher class I differentials.

Of course, a great deal has changed since the creation of the current system. We can now easily and safely transport perishable milk and cheese products between the States and throughout the country. The industry has perfected the system to such a degree that we can export cheese to countries all over the world. It seems almost comical that in an age when you can order milk through the Internet, our Federal milk pricing system continues to be based on an irrelevant factor. That factor, again, is a producer's distance from this wonderful Wisconsin community of Eau Claire, WI. That is what this whole thing is based on, how far the farmer is from Eau Claire, WI. Unfortunately, the current system's effects on farming communities are