

I ask my colleagues, in light of the proliferation concerns that this country has, in light of the developing technology, the fact that it is being proliferated around the world and posing a danger to us, that certainly in this export licensing process we can afford to give our agencies, such as the Department of Defense, a little additional time if they have a national security concern.

It is not going to put anybody out of business, and it is not going to hurt the overall export process. And what if it does if we are saving something from being exported that otherwise should not be? It is a very simple matter to dispose of, but it is a very important matter to get right.

I yield the floor.

Mr. GRAMM. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I have no question about the sincerity of Senator THOMPSON's amendment. He has worked with us on this bill, and against us to some extent. We have made 59 changes in the bill to accommodate Senator THOMPSON and people who share his concerns, but let me explain to my colleagues why this amendment is not good.

We have established a system that for the first time is giving the security agencies a voice in this process. We have changed the system so one member of the panel, from any one agency, can vote no, and the process at that point is denied and it has to be appealed to a higher level.

It is not like the old system, where the person from the Department of Defense could express concern but they could be overridden. Under the current system, you just have to have one person say no and the process either ends or it is bumped up to the next level.

Finally, we give the President a new national security power that says no matter what the circumstances are, no matter whether a product is mass marketed or not, no matter whether a terrorist group or a terrorist nation or a would-be adversary could get the product from any other source, if the President believes it threatens national security, it is stopped.

What this amendment would do would basically terminate the effectiveness to the system by saying that at any point anybody believes there is complexity in the analysis or there is a potential impact on national security or foreign policy interest, they could indefinitely delay. What we want is a decision. Remember, the reviewing officers can vote no, but we want them to vote yes or no. That is what the process is about.

I urge my colleagues to defeat this amendment.

I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mrs. MURRAY), and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Pennsylvania (Mr. SANTORUM), the Senator from New Hampshire (Mr. GREGG), and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas, 74, nays 19, as follows:

[Rollcall Vote No. 274 Leg.]

YEAS—74

Akaka	Craig	Leahy
Allard	Crapo	Levin
Allen	Daschle	Lieberman
Baucus	Dayton	Lincoln
Bayh	Dodd	Lott
Bennett	Domenici	Lugar
Biden	Dorgan	McConnell
Bingaman	Durbin	Mikulski
Bond	Edwards	Miller
Boxer	Ensign	Nelson (FL)
Breaux	Enzi	Nelson (NE)
Brownback	Feinstein	Nickles
Bunning	Fitzgerald	Reed
Burns	Graham	Reid
Byrd	Gramm	Roberts
Campbell	Hagel	Rockefeller
Cantwell	Harkin	Sarbanes
Carnahan	Hatch	Schumer
Carper	Hollings	Smith (OR)
Chafee	Hutchison	Stabenow
Cleland	Inouye	Stevens
Clinton	Johnson	Thomas
Collins	Kerry	Wellstone
Conrad	Kohl	Wyden
Corzine	Landrieu	

NAYS—19

Cochran	Inhofe	Specter
DeWine	Kyl	Thompson
Feingold	McCain	Thurmond
Frist	Sessions	Voinovich
Grassley	Shelby	Warner
Helms	Smith (NH)	
Hutchinson	Snowe	

NOT VOTING—7

Gregg	Murkowski	Torricelli
Jeffords	Murray	
Kennedy	Santorum	

The motion was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, we are prepared to continue debate on this measure.

Mr. President, that is the last vote today. If there are Members who wish to speak on the bill—earlier I thought there were and I am now not certain—we would be prepared to stay on in order to get that done and thereby help to clear the deck so we can move ahead tomorrow with respect to other amendments and towards final passage of this legislation. I have no one at the moment indicating any desire to speak.

MORNING BUSINESS

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate go into a period of morning business with Senators allowed to speak therein for up to 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MARK TO MARKET EXTENSION ACT OF 2001

Mr. SARBANES. Madam President, on August 1, 2001, the Committee on Banking, Housing and Urban Affairs took up the Mark-to-Market Extension Act of 2001.

I introduced the Mark-to-Market Extension Act of 2001 along with Senators REED and ALLARD, the chair and ranking member of the Housing and Transportation Subcommittee. The bill passed the committee by a 21-0 vote with an amendment offered by Senator ALLARD. The amendment would require the GAO, through a series of reports, to update Congress on the performance of the mark-to-market program.

The bill makes some modest changes in the program, which was originally passed in 1997 on a bipartisan basis. The changes incorporate almost all of the suggestions made by HUD's Office of Multifamily Housing Assistance Restructuring (OHMAR) as well as a number provided by other stakeholders at our June 19 hearing, including the General Accounting Office (GAO). The GAO's thorough review of the program has proven invaluable, and we will look to them to continue to work with us to keep things on track.

As my colleagues know, we passed the original Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRAA) in order to bring down the rising costs of project-based section 8 rental assistance contracts. In many markets these section 8 contract rents were higher than the real market rent in the neighborhood in which the project was located. In order to save money on these contracts, the committee and the Congress chose to reset those contract rents at the lower market levels.

However, in many cases, these new, lower rents were inadequate to pay the federally insured mortgages. So the committee also created a number of tools that allow the mortgages to be restructured proportionately. The restructuring process includes a thorough review of the physical condition of the building, provides that it be adequately rehabilitated and that adequate reserves be built in as part of the building's new underwriting. This is important because, as part of the deal, the owner makes a long-term commitment to continue to serve low income families.

After getting off to a slow start, the GAO and most other stakeholders agree that the program has finally gotten moving, and a much larger number

of deals are being restructured. HUD reports that the program has saved the federal government about \$500 million on a present value basis to date.

The legislation we have before us includes a series of purposes designed to reiterate Congress' emphasis on adequate rehabilitation and reserves in order to meet ongoing affordability commitments. Similarly, we want to make sure that expenses are properly calculated, so that rents and mortgages can be set correctly. This is included in the bill because of concerns raised by a number of stakeholders, including both residents and owners, that these important goals have been short-changed. We chose not to burden the program with an overly prescriptive set of directives regarding these matters. Nonetheless, we expect HUD and the Office to bear these purposes very much in mind as they administer the program.

The bill reauthorizes grants to tenant and non-profit groups to help residents participate in the Mark-to-Market process. It calls for independent rent calculations to determine whether a property should go through the restructuring process, a simple rent reduction, or a straightforward contract renewal. This independent assessment will be used to set rents for vouchers, should the owner choose to opt out of the program. Owners will continue to have the right to appeal the rent set by the independent review. The bill also expands the flexibility of the Department to approve market rent exceptions where necessary.

The bill gives the Secretary flexibility to reduce the 25 percent owner rehabilitation contribution for the cost of significant additions to a project that are required by HUD. This was done in response to a reasonable equity argument made by the owners.

Finally, in consultation with HUD and a number of owners, we include changes that will expedite refinancing of the old mortgages and lengthen the term of the new first mortgages. We also make adjustments that will allow the size of the second mortgages to be larger, thereby reducing the potential for cancellation of indebtedness income rulings by the IRS with their attendant tax penalties. Taken together, these changes will allow the underwriting to provide for more rehabilitation, reduce the amount of claims taken against the FHA fund, and increase the collection of the second mortgages, thereby saving the taxpayer additional funds on top of the rent savings.

We take HUD's suggestion and put the Director of OMHAR under the authority of the FHA Commissioner, as did the House Financial Services Committee. We keep the provision in current law that establishes higher compensation for OMHAR employees because we want to retain the highly skilled staff. A significant part of the reason we are moving this legislation so expeditiously is that we want to signal that staff that it is our intention to keep them on board and on the job.

The legislation extends the life of both the program and the Office for 5 years. I understand that HUD requested a 3 year extension only. However, data from the GAO indicates that there will still be a significant, if declining, stream of expiring contracts after the third year of the reauthorization. Frankly, I see no reason to revisit this issue a third time. I would strongly prefer to make sure this is the last time we have to act on this issue. Of course, as we move forward, I would expect to continue to discuss these and other matters, both with the administration and with the House.

In closing, this legislation has broad bipartisan support. My colleagues and I tried to be responsive to the administration and other stakeholders, while ensuring that we maintain a highly skilled staff at the Department. I am hopeful that we can move this legislation quickly through the process.

#### SUPPORT FOR FULL FUNDING OF THE NATIONAL GUARD

Mr. GRASSLEY. Madam President, I rise to express my strong support for the National Guard's counterdrug mission. I am concerned that proposed Department of Defense, DoD, funding for the National Guard's FY-2002 Counterdrug Program, State Plans, is not sufficient to ensure the continuance of this valuable service to law enforcement and local communities, and request that the funding be increased \$40.7 million, from the President's \$154.3 million request, to a total of \$195 million.

The National Guard's Adjutant Generals, from the various States, have indicated to the National Guard Bureau, that without a minimum of \$195 million budgeted for this program, large personnel layoffs may occur. My staff has heard reports that one State may have to downsize by as much as one-third their personnel. Over ninety percent of the National Guard's counterdrug program costs are personnel-based, and as such, it is extremely sensitive to variations in funding, taking years to recover from any reduction in trained and experienced personnel. These reductions affect supported agencies, including the Customs Service, DEA, U.S. Border Patrol, FBI, HIDTAs, scores of State and local law enforcement agencies, and community based organizations.

I am also concerned about the apparent lack of emphasis, and even distancing of itself, by the Department of Defense, on the counterdrug mission, especially in a year of discussions of increased DoD funding for other military mission areas. I sense this repeatedly in insufficient funding for the National Guard and other critical counterdrug mission areas, and believe this would be a poor policy decision and a poor indication of the nation's priorities.

I urge my colleagues and the Department of Defense to give serious consideration to the National Guard program

and its contribution to our national drug control strategy.

#### LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred January 28, 1998 in Webster, MA. A gay man was allegedly attacked by two men, one of whom he met through a gay chat room on the Internet. The men also used anti-gay epithets. William "Billy" Peters was arrested in the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

#### ADDITIONAL STATEMENTS

##### NAGORNO KARABAGH'S INDEPENDENCE DAY

• Mr. JOHNSON. Mr. President, I rise today to recognize September 2, 2001, as the 10th anniversary of Nagorno Karabagh's declaration of independence. Born from the disintegration of the Soviet Union in the late 1980s, the Republic of Nagorno Karabagh has faced incredible odds over the past decade in its struggle for self-determination, independence, peace, and stability.

Many Americans know very little about Nagorno Karabagh. However, the region is culturally rich and historically significant as a bridge between Eastern and Western societies. Armenians have been a distinct political entity in Artsakh—the traditional Armenian name for the Republic of Nagorno Karabagh—since the 2nd Century B.C. Christianity in the region grew and strengthened following the construction of the historic Monastery in Amaras in 330 A.D. Repeatedly destroyed by generations of invaders and rebuilt, the Monastery in Amaras currently stands as a symbol of faith and perseverance for Armenians.

The Soviet Union's oppression of independence in the region began in the 1920s as Nagorno Karabagh and its predominantly Armenian population were attached to Azerbaijan. Most recently, Armenians in Nagorno Karabagh struggled to fight the rise of Islamic fundamentalism in the Caucasus region.

Finally, on September 2, 1991, the Armenians of Nagorno Karabagh declared