

I have introduced a bill, H.R. 4205, also known as the Affordable Housing Improvements Act, that will enable communities with serious affordable housing shortages to transfer their unused Section 8 funds to the HOME Program—a program to build new housing for rent or homeownership or to the Public Housing Capital Fund—a program to rehabilitate existing public housing, depending on local housing needs.

As many of you know, every year communities around the country lose Section 8 dollars because federally subscribed voucher payments have not kept pace with rapidly rising rents making it impossible for individuals to use these subsidies. In 2001, HUD recaptured \$1.8 billion dollars in unused Section 8 funds from Public Housing Agencies throughout the nation, including more than \$23 million from the Miami-Dade Housing Authority. This is a scandal and it must be stopped.

My bill would allow local communities to attack their affordable housing problem by allowing them to use these scarce federal resources to improve and construct new affordable housing units in an effort to dramatically improve the nation's affordable housing problems.

Congress also should pass the National Affordable Housing Trust Fund Act. This legislation would create an affordable housing trust fund from profits generated by the Federal Housing Administration. Over the next seven years, these FHA profits are expected to exceed \$25 billion.

If a portion of the FHA surplus is used to build affordable housing, experts predict that we could triple affordable housing construction next year and provide shelter for more than 200,000 families.

Mr. Speaker, finally, our housing strategy must include measures that will improve the economic well-being of low-income families. This includes raising the minimum wage, expanding the earned income tax credit, improving job opportunities through education and training, and fostering economic development that will create better paying jobs.

Ms. KILPATRICK. Mr. Speaker, I rise today to commend President Bush for finally deciding to follow the lead of the Congressional Black Caucus and the CBC Foundation in championing the cause of increased opportunities for home ownership for minorities. While I am pleased that the White House has finally recognized the importance of this issue to the economic welfare of minorities, it is important to recognize the leadership of the CBC in advancing this issue.

Owning a home is one of the very important markers of success in a person's life. From our Nation's earliest days, homeownership has been the foundation of the American dream. Yet, for too long, the American dream has been unattainable for many low-income, minority families. In many distressed neighborhoods, particularly in this country's urban communities, there is a lack of affordable housing units available to residents. And the costs involved in new construction of residential property in these areas far outweigh the revenue. Thus, homebuilders refrain from building new, affordable homes in low and moderate-income neighborhoods.

A David Broder article in the Detroit Free Press stated that "the shortage of affordable housing is close to the top of people's concerns. And it's mainly in the Federal Govern-

ment that housing is a chronically neglected subject."

Time and again CBC Members have pointed out that Congress is not addressing the affordable housing needs of America's low to moderate-income families. We are pleased that the President is heeding our collective voices. To the President, we say, "thank you" for bringing about greater public awareness to this problem. To the American people, we say, the CBC will be here, as we always have, to ensure that the initiatives the President proposed this past weekend are implemented and that homeownership opportunities increase for all Americans, especially those who so desperately need them.

Through the work of the President, this Congress, and the private sector, we look forward to lower down payments, better education on the purchasing process, and overall affordable housing for all Americans, regardless of race, creed, or socio-economic status.

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GOVERNMENT UNABLE TO ACCOUNT FOR \$17.3 BILLION

The SPEAKER pro tempore (Mr. GRUCCI). Under the Speaker's announced policy of January 3, 2001, the gentleman from North Carolina (Mr. JONES) is recognized for 60 minutes.

Mr. JONES of North Carolina. Mr. Speaker, I will not take the full hour that has been allotted to me. I will only take 5 or 6 minutes. I came to the floor of the House because 2 weeks ago I had been listening to a radio talk show host in North Carolina. It was actually Jerry Agar at WPTF in Raleigh. He was talking about the fact that he just could not believe a New York Post article that said that the Federal Government had lost \$17.3 billion.

I was just really outraged at the time. I took my car phone and called my office and I said, "Please check this New York Post article. Let's verify what Mr. Agar was saying." Sure enough, what we found out, the New York Post, and not only the Post but also the London Times had both written articles to the fact that based on the Department of Treasury-released report, the 2001 financial report of the United States Government, the report, on page 110, revealed that the Federal Government has unreconciled transactions totaling \$17.3 billion for fiscal year 2001.

Mr. Speaker, I am one of many on both sides of the political aisle that just really thinks this is unacceptable and outrageous that the hard-working American people who pay their taxes and think that we are the public guardian of the American people's taxes, yet the government cannot account for \$17.3 billion.

On June 6, I wrote a letter to Secretary Paul O'Neill. The last paragraph says, "Mr. Secretary, I believe someone must answer to the American people for this loss of tax dollars, and I look forward to your answer regarding these unreconciled transactions." I, quite frankly, hope that by the time we re-

turn after the July 4 break, which will be in about 1 week, or 8 days, and we are out for about 6 days, that when we come back, that I will have an answer from Secretary O'Neill as to where the taxpayers' money totaling \$17.3 billion has gone. If not, then I intend to write the Budget chairman and also the oversight chairman on the Government Operations and ask them to please make an inquiry in behalf of the taxpayers of America.

There are a multitude of reasons why I am alarmed by the fact that this has been lost, again primarily because it is the taxpayers' money. We all know that this is a tight budget year. We have a war on terrorism that is costing about \$1.8 billion a month. We must fight that war and win that war for the American people, and certainly we must be very frugal and wise with the taxpayers' money, and certainly must account to the taxpayer every dollar and every dime that we spend. That is one reason that I am really pushing hard for the Secretary of Treasury to give me an answer to where this \$17.3 billion has gone, because, quite frankly, we have an obligation to the taxpayer, and we have an obligation as Members of the House of Representatives to make sure that we can answer the questions of our constituents about a multitude of issues, and certainly as to where \$17.3 billion has gone.

I use for an example that I have put in a bill, H.R. 3973, that many of my colleagues, both Democrat and Republican, have signed this bill that would help ensure that when a military person is killed, whether it be accidental or it should be in wartime, that the Congress years ago decided that the family should get what is called a death gratuity. Initially it started off at about \$3,000. In 1986, the Congress decided to add 3- to the 3-, which would make it 6-. But on the second \$3,000, the bill was not sent to Ways and Means, so, therefore, there is a tax on the second 3- of the \$6,000 death gratuity that is given to the family of a man or woman in the military.

I am just incensed that there would be any tax on this death gratuity, so I have put a bill in, and again I have got very strong bipartisan support, to eliminate this tax so that when the family receives the death gratuity from the United States Government, there would be no tax to the family.

I use that for an example because, Mr. Speaker, to eliminate this tax over a 10-year period would only cost \$8 million, that is over 10 years, to make sure that the family of the military person that has been killed would not pay a tax on it.

Then I come back to the fact that we have lost \$17.3 billion. My point is to say that I intend to come to this floor at least once a week, and maybe more often than that, to say to Secretary O'Neill, we need as a Congress, not just Congressman WALTER JONES, but we as a Congress, we need an answer so that we can say to our constituents who are

paying these taxes that we want to know where \$17.3 billion has gone.

I have just a couple of more points, and then I will yield back my time. I am one of many, both Republican and Democrats, who work here very hard. We heard, the hour before my time, in talking about housing. There are just a lot of responsibilities that we do have to the taxpayers of this country to make sure that the government does operate in a very efficient manner, and where we can be of assistance to the people throughout this country, we certainly need to meet that obligation. Again, the May 2002 report from the Department of Treasury, 2001 financial report of the United States Government, anybody that might be listening tonight or anybody that would like to check can go on the Internet and look up that document, 2001 financial report of the United States Government, look on page 110. And I am going to repeat it again, the Federal Government has, and I quote, unreconciled transactions totaling \$17.3 billion.

Just a quick example. According to the London Times, \$17.3 billion is enough to buy a fleet of B-2 bombers with spare change for fuel. \$17.3 billion is the equivalent of two aircraft carriers and two air wings. We all know that if this money, if it had just been \$200 that might have been lost by a company, the company president would have immediately called the CPA and said, "Come in here and check the books of this company. I don't know where we have lost this money." Then if he could not find it, he might even call the local police and ask them to come in to help investigate.

I want to say again that I am certain that Secretary O'Neill will answer my letter and give me an explanation so I can say to the taxpayers of the Third District of North Carolina as well as the taxpayers of America that we know where this \$17.3 billion has gone.

Mr. Speaker, again, I want to thank you for this time and just to say that I will promise the people of the Third District of North Carolina and the people of America that I will work with my colleagues on both sides of the political aisle and make sure that we get an explanation as to where the \$17.3 billion has gone; that we appreciate the hard-working people of America, and we want to make sure that even though we have many contentious and heated debates, and that is the way it should be, this is a Republic, it is a democratic country, and we have a right to disagree, but when it really comes down to trying to protect the taxpayers' money, we work together in a bipartisan way.

Therefore, if I have not gotten an answer when we come back after July 4, I will be asking the committees of jurisdiction to please request that Secretary O'Neill comes before the committee and explains where this \$17.3 billion has gone.

I conclude tonight, Mr. Speaker, because I have three military bases in my

district, Camp Lejeune Marine Base, Cherry Point Marine Station and Seymour Johnson Air Force Base.

I certainly want to close by asking God to please bless our men and women in uniform and their families. We are very fortunate to have the dedicated men and women in uniform as well as their families.

INTRODUCTION OF RESOLUTION PRAISING CUBA'S PROJECT VARELA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise this evening to draw attention to a troubling development in the democratic reform effort in Cuba. Last week Fidel Castro staged mass demonstrations throughout Cuba in a sign of so-called "support" for a proposed amendment to the Cuban Constitution declaring his failed Soviet-style economic system to be "untouchable."

Mr. Speaker, there is no question as to what has left Castro feeling threatened to the point that he feels the need to reaffirm his dictatorial control of Cuba and that is Project Varela. On Friday, May 10, over 11,000 citizens of Cuba took a courageous stand and petitioned the Cuban National Assembly to hold a nationwide referendum vote on guarantees of human rights and civil liberties.

Named for the 19th century priest and Cuban independence hero, Padre Felix Varela, the Varela Project received no funding or support from foreign organizations or foreign governments. Project Varela is a grassroots effort by the Cuban people to call on their government to provide them with internationally accepted standards of human and civil rights, including freedom of speech, the right to own a business, electoral reform and amnesty for political prisoners.

Beyond the obvious threat that a grassroots political effort poses, Project Varela represents an even greater challenge to Castro's control of the island. With its 11,000 plus signatures, the project qualifies under article 88 of the Cuban Constitution, which states that if the Cuban National Assembly receives the verified signatures of 10,000 legal voters, a referendum on the issue should be scheduled. However, Mr. Speaker, instead of allowing his Parliament to consider Project Varela, today Castro introduced his own referendum that would stop future consideration of Project Varela and any other democratic reform efforts.

My question to Castro is that if he is so sure that he has the support of the Cuban people, why will he not schedule a referendum? If Castro is unfazed by the Varela Project, then why propose reforms to the Cuban Constitution 1 month to the day that the petition was delivered?

Mr. Speaker, the ultimate goal of U.S. policy towards Cuba has always

been to promote the island's peaceful transition to democracy. Many of my colleagues have varying views on the best approach to achieve a democracy. However, we can all agree on the importance of a grassroots democratic effort like Project Varela. That is why today I have introduced a resolution commending the citizens of Cuba for actively exercising their constitutional rights and taking a stand for the rights of all Cubans. The resolution praises Oswaldo Paya and the other organizers of Project Varela for their courage and bravery, for their willingness to stand up to a dictator.

Mr. Speaker, I urge my colleagues to join with me and cosponsor this important resolution. It is time Castro realized that his orchestrated demonstrations and forced petitions are fooling no one.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CHAMBLISS (at the request of Mr. ARMEY) for today until 1:30 p.m. on account of qualifying for the Georgia congressional ballot.

Mr. ISAKSON (at the request of Mr. ARMEY) for today until 1:30 p.m. on account of qualifying for the Georgia congressional ballot.

Mr. KINGSTON (at the request of Mr. ARMEY) for today until 1:30 p.m. on account of qualifying for the Georgia congressional ballot.

Mr. LAHOOD (at the request of Mr. ARMEY) for June 21 on account of official business.

Mr. MANZULLO (at the request of Mr. ARMEY) for today after 2:00 p.m. through June 24 on account of personal business.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for June 19 and the balance of the week on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McNULTY) to revise and extend their remarks and include extraneous material:)

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. PAYNE, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. EDDIE BERNICE JOHNSON of Texas, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Ms. BROWN of Florida, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. MEEKS of New York, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.