Mr. SCHUMER changed his vote from “yea” to “nay.” Messrs. STOCKMAN, HOEKSTRA, and UPTON changed their vote from “nay” to “yea.”

So the resolution as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

U.S. HOUSING ACT OF 1996

Mr. DREIER, Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 426 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House to consider the Senate amendment to the bill and to insert in lieu thereof the provisions of H.R. 2406 as passed by the Senate. All points of order against that amendment are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the Congressional Record on the basis of whether the Member offering an amendment has caused it to be printed in the Congressional Record designated for that purpose in clause 6 of rule XXIII.Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment. The Chairman of the Committee of the Whole may reduce to not less than five minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall be not less than fifteen minutes after the conclusion of consideration of the bill for amendment by the Committee of the Whole shall rise and report the bill to the House with such amendments as may have been directed. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments that shall precede the final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. After passage of H.R. 2406, it shall be in order to take from the Speaker’s table the bill S. 1260 and to consider the Senate bill in the House. It shall be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 2406 as passed by the House. All points of order against that motion are waived. The amendment printed in the Congressional Record and the Senate bill, as amended, is passed, then it shall be in order to move that the House insist on its amendments to S. 1260 and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The gentleman from California [Mr. DREIER] is recognized for 1 hour.
Mr. DREIER. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Woodland Hills, CA [Mr. BEILEN- son], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

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

Mr. DREIER. Mr. Speaker, now I will proceed with giving the same explanation the reading clerk just gave.

Mr. Speaker, in the tradition of past housing rules, this rule provides an open rule for the consideration of H.R. 2406, the U.S. Housing Act of 1996. It provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Banking and Financial Services.

The rule makes in order the Banking Committee amendment in the nature of a substitute as an original bill for the purpose of amendment and provides that the substitute be considered as read.

All points of order against the substitute for failure to comply with clause (a) of rule 21 are waived. This waiver is necessary because several sections of the substitute relate to the disposition of appropriations due to changes in existing housing law.

The rule provides that the substitute shall be considered by title and the first two sections and each title shall be considered as a unit. If further motions in order, before consideration of any other amendment, an amendment printed in the Congressional Record of May 7, 1996, is offered by Representative Lazio of New York or his designee.

That amendment shall be considered as read, shall be debatable for 10 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment or to a demand for a division of the question, and all points of order are waived.

The amendment as adopted, the bill as amended shall be considered as an original bill for this purpose of further amendment. Members who have preprinted their amendments in the Record prior to their consideration will be given priority in recognition to offer their amendments if otherwise consistent with House rules.

The rule allows the chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce votes to 5 minutes on a postponed question if the vote follows a 15-minute vote.

The rule also provides for one motion to recommit, with or without instructions. Finally, the rule provides that after passage of the House bill, it will be in order to take up the Senate bill to move to insert the House-passed provisions in the Senate bill, and to move to request a conference with the Senate.

Mr. Speaker, despite all of the parliamentary mumbo-jumbo that I have just gone through, this is a bona fide open rule. Over the years, I had the honor of referring to the former chairman of the Committee on Banking and Financial Services, the gentleman from Texas [Mr. GONZALEZ], as Mr. Open Rule, because of his commitment to bring to the floor major housing bills under an open rule. It is a distinction that I look forward to bestowing upon the current chairman of the Subcommittee on Housing and Community Opportunity, the gentleman from New York [Mr. LAZIO].

While an open rule on a bill of this nature will be time-consuming and contentious, 75 amendments were offered in the Committee on Banking and Financial Services alone, it is necessary. Housing policy must be seen in the context of broader welfare policy.

Members have strong feelings about the impact of our nation’s housing programs on low-income families and how these programs should be reformed. An open rule will allow all issues to be debated and will strengthen public confidence in whatever program changes we collectively decide to move ahead with.

Quite frankly, Mr. Speaker, the changes called for in H.R. 2406 are long overdue. Our public housing programs are a failure, and those failures have been known for more than two decades. Yet, until now, Congress has failed to offer effective solutions to addressing the housing and economic needs of poverty-level families. Instead, we have continued to spend hundreds of billions of dollars on costly and inefficient public housing programs that encourage waste, fraud, and abuse while destroying urban communities and relegating tenants to second-class status in Third World living conditions.

H.R. 2406 will improve housing conditions and economic opportunity for tenants by substantially deregulating public housing and giving authorities the flexibility they need to operate efficiently and effectively.

While H.R. 2406 does not fundamentally alter the Federal Government’s intrusion into the housing market, nor does it reduce the size of HUD’s bureaucracy, it will go a long way toward re- shaping our postwar housing regulations. For that, I applaud Chairman Lazio for his successful efforts in bringing this bill forward. I look forward to working with him to bring about similar reforms to the remainder of HUD’s bureaucracy so we can enhance our ability to control administrative overhead and cost burdens, maximize the direct flow of housing assistance, and promote our ultimate objective, which is the achievement of economic self-sufficiency for low-income families.

Mr. Speaker, H.R. 2406 is a good bill that deserves our support. More importantly, this rule provides for an open amendment process that will allow all the issues to be debated.

Mr. Speaker, I urge support of the rule, and I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we support this open rule for the consideration of H.R. 2406, the U.S. Housing Act of 1996, and we commend our colleagues for bringing this rule to the floor. Certainly, the rule for taking up legislation to repeal the housing laws of this Nation, which have been in effect since 1937, should be open and unrestricted. It should permit, as this rule does, every Member to have an opportunity to offer amendments that are germane.

We are nonetheless very disturbed, as we know the majority of the Committee on Rules are, too, about the manner in which the chairman’s amendment made in order under the rule was handled.

The manager’s amendment, which changes many portions of the bill, was never presented, Mr. Speaker, to the Committee on Rules. That failure to follow our regular practice with respect to serious concerns about this disregard for the deliberative nature of the legislative process, as well as the effect it could have on millions of Americans who live in public or assisted housing, is disturbing. Because the Congress of the United States, which has been in effect since 1937, has never presented, Mr. Speaker, to the Committee on Rules was faced with a situation that all of us, I believe, found untenable, having to approve a rule for a major piece of legislation that neither the majority nor the minority on any of the committees had seen.

We trust that we shall not be placed in this situation again, either by the committee appearing before the Committee on Rules or by the leadership. In this case in particular, the legislation is not only momentous in nature, but it is also very complex. The public and all Members interested in our Nation’s housing policy should have had the opportunity to see the exact wording of the manager’s amendment, and to comment on it to Members of the Congress. And for Members wishing to offer amendments, the availability of language that they are seeking to amend is essential in preparing responsible amendments. That language should have been available for a reasonable length of time.

Mr. Speaker, the issues this legislation is addressing are not minor ones. We are dealing with a bill that makes several substantial and significant changes in U.S. housing policy, all of which we believe could hurt people currently living in public and assisted housing. This legislation, by repealing the Housing Act of 1937, will result in a total redistribution of U.S. housing policy.

We are dealing with legislation that, by eliminating the caps on rent paid by seniors and working families and eliminating targeted housing assistance,
could have a very negative effect on senior citizens and on families with children who live in public housing. This is legislation that would block grant Federal funding for public housing and low-income rental assistance. We’re told that these block grants will, as its proponents believe, save money. Rather, we fear they may end up hurting the very people they are proposing to help.

Mr. Speaker, the bill would also repeal the Brooke amendment, which caps rents in public and assisted housing at 30 percent of income. The repeal of the Brooke amendment would force many tenants in public housing to make the impossibly difficult decision between shelter and food and medicine. We fear it could lead to greater homelessness in this country.

By eliminating the protection of the Brooke amendment, the bill would permit housing authorities to set rents based on the real estate market, with little regard to how much money people can afford to pay. It is inconceivable that we are denying people an increase in the minimum wage at the same time we are enacting a demonstration project, included in the manager’s amendment, to grant the 300 largest housing authorities in the country permission to raise the rents of the working poor.

For that reason, Mr. Speaker, we will move to defeat the previous question, so we may offer an amendment dealing with an increase in the minimum wage.

Mr. Speaker, we are not talking about people who make a great amount of money. We are talking about families who live in public and assisted housing, whose income averages only $6,400 a year. Forty-one percent of these people are seniors or are disabled. The remaining 59 percent are families with children. They are among the most vulnerable people in our society. At a time when one quarter of American children live in poverty, this Congress should be doing everything possible to help take care of them.

Mr. Speaker, this bill, we fear, would only hurt them. Mr. Speaker, although we are not opposed to this open rule, we commend our friends on the other side of the aisle for offering this as an open rule. We are very much opposed to much of the substance of the bill, and we urge our colleagues to give it very careful consideration when it later comes before us.

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

Mr. PREIER. Mr. Speaker, am happy to yield 5 minutes to the gentlewoman from Utah [Ms. GREENE], a very able Member and a colleague on the Committee on Rules.

Ms. GREENE of Utah. Mr. Speaker, I rise in support of the rule and the underlying bill, the U.S. Housing Act of 1996. The rule will provide for the open consideration of an extremely important matter, our Federal low-income housing policy.

This is truly historic legislation. I want to commend Chairman Lazio for his tireless efforts on behalf of this bill. Mr. Speaker, for decades we have consigned those residing in Federal low-income housing to conditions that are unlivable and sometimes found in Federal prisons. Notorious housing projects across the country have imprisoned families in deplorable and often hopeless conditions.

This legislation will bring real reform to our Federal low-income housing policy. It will pull back the heavy hand of Washington and empower communities to improve their neighborhoods.

In addition, as part of the manager’s amendment that will be made in order under the rule, Chairman Lazio has generously included an amendment I intended to offer elsewhere. This amendment will correct a flaw in the 1990 Housing and Community Development Act that discriminates against cities that participate in the Community Development Block Grant Program.

Under the 1990 act, metropolitan cities and urban counties that qualify for 2 consecutive years are deemed to permanently retain their program status. However, the method in which these grants are awarded, on a 3-year basis for counties but only a 1-year basis for cities, results in an unfair disadvantage for cities. Currently, a county needs to qualify only once, but a city must do so for 2 consecutive years.

Because of this bias against cities, a city in my district, the city of West Jordan, has been denied their status as a metropolitan city since 1993. Under the manager’s amendment, metropolitan cities would now receive the same treatment as urban counties. This is a change that is long overdue.

I urge my colleagues to support the rule and the bill so that we can take an important step to improve our Federal low-income housing policy.

Mr. BEILENSON. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding time to me. Mr. Speaker, I’m urging my colleagues to defeat the previous question and allow us a clean vote on raising the minimum wage.

Mr. Speaker, the longer this minimum wage debate goes on, the more I’m reminded of a story I once heard about a hot dog company.

The CEO says, "It’s not the shipping. All of our trucks are running on time."

The shipping supervisor says, "It’s not the shipping. All of our trucks are running on time."

The CEO says, "I don’t understand. If everything is running well, what’s the problem?"

The shipping supervisor says, "The problem is, kids don’t like your hot dogs."

Mr. Speaker, it’s the same thing with the Republican agenda. Every week we get a new theory about the Republican problems.

One week it’s a strategy problem. The next week it’s a message problem. This week, the Speaker says it’s a media problem. When are Republicans going to learn—it’s not just the strategy that keeps failing. It’s the ideas.

The American people don’t want to cut Medicare to pay for tax breaks for the wealthy.

They don’t want to cut education to pay for tax breaks for big oil companies— as the majority leader proposed this weekend.

They don’t want to allow CEO’s to raid corporate pension funds.

But that’s what you’ve tried to do the past 18 months. The Republican agenda is out of touch with the needs of America’s families.

Eighty-five percent of the American people say: "Raise the minimum wage."

Yet, the majority leader says he’ll oppose a minimum wage increase with every fiber of his being. The majority whip says that minimum wage families “don’t really exist.”

And the Republican conference chairman so far to say that he would commit suicide before voting to raise the minimum wage.

Never mind that the minimum wage is at a 40-year low. Never mind that the majority of the people working for the minimum wage are mothers—the majority leader proposed this weekend.

For 18 months, Republican leaders have blocked us at every single turn.

And now, instead of raising the minimum wage, here we are considering a bill that will raise rents on people who earn the minimum wage.

Forty-one percent of the people who live in assisted housing are senior or disabled.

The rest are working families with children.

Many of them make the minimum wage or less.

In fact, the average income of those working families is $6,400 a year—which is less than half the poverty level. And yet, this bill will give landlords a blank check to raise rents through the roof.

This bill operates under the theory that there aren’t enough homeless people in America—so we have to create more of them.

Mr. Speaker, if you’re wondering why over 60 percent of the American people disapprove of the Republican agenda. This is the reason.

Fortunately, some of our Republican colleagues are beginning to see the light.
Twenty-one brave Republicans have co-sponsored a bill to raise the minimum wage.

Unfortunately, 12 of them have voted "no" every single time we've tried to bring the issue to the floor.

So we are giving you another chance here today.


Help us raise the minimum wage for 12 million working Americans.

All of you had the courage to cosponsor a bill to raise the minimum wage. Now we're asking you to put your vote where your heart is, help us defeat the previous question, raise the minimum wage, and give over 12 million Americans the dignity and respect they deserve.

They have chosen, they have chosen work over welfare. They ought to be rewarded. We ought to make work pay. Help us defeat the previous question.

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PARLIAMENTARY INQUIRY

Mr. Dreier. Mr. Speaker, the eloquence of my friend from Michigan has led me to propound a parliamentary inquiry.

The SPEAKER pro tempore (Mr. Bunning of Kentucky). The gentleman will state his parliamentary inquiry.

Mr. Dreier. Mr. Speaker, under House rule IX, which requires that a Member must confine himself to the question under debate, is it relevant to the debate on either this rule or the bill to be made in order but not to the merits of a bill?

Mr. Speaker, I also urge my colleagues to support the manager's amendment which strengthens the bill's ability to provide safe and affordable housing. The manager's amendment prevents housing authorities from overcharging the Nation's poorest tenants as well as the elderly and disabled.

This amendment further ensures that adequate housing be available for our Nation's most needy, and taxpayers will benefit from provisions of the amendment which establish criteria to replace costly, ineffective housing projects with private housing vouchers. Additionally, the manager's amendment addresses the problem of overcrowding, which threatens to undermine even the most successful housing projects by creating unhealthy living conditions that isolate the poorest and most dependent citizens. The manager's amendment remedies this problem by allowing States, not HUD, to set occupancy standards. This provision cures the problems of overcrowding in one simple step.

Mr. Speaker, I commend Chairman Lazio for his leadership and fine work on this historic legislation and urge my colleagues to support the rule. America's housing system needs a shot in the arm. Chairman Lazio and the fine work of his committee and the U.S. Housing Act provide that.

Mr. Beilenson. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas [Mr. Gonzalez], the ranking member of the policy committee.

Mr. Gonzalez. Mr. Speaker, the House soon will take up the Housing Act of 1996, a bill that in large part seeks to relieve over occupancy standards, reduce the cost to the taxpayer. Just as we are rewarding good operations, H.R. 2406 will abandon the notion that HUD should micro-manage every aspect of public housing through one-size-fits-all regulations.

With this legislation we will return the power to local communities and this bill rewards the housing authorities with less Federal regulation and helps those already good public housing authorities to better serve the needs of low-income families at a lower cost to the taxpayer. Just as we are rewarding good operations, H.R. 2406 inflicts severe punishments on those authorities that have failed the American public year after year. This bill provides the tools to end these embarrassing failures that have wasted so many taxpayer dollars without helping those of our society who are in need.

Mr. Speaker, I commend Chairman Lazio for his work on this legislation and for his vision. With these reforms, Mr. Speaker, we will open the creation of neighborhoods and communities of which we all can be proud.

I strongly urge my colleagues to vote in favor of this rule and in favor of H.R. 2406.

Mr. Beilenson. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Minnesota [Mr. Vento].
May 8, 1996

CONGRESSIONAL RECORD – HOUSE

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

Mr. VENTO. Mr. Speaker, I rise in opposition to this rule. It is an open rule. However, it does include a manager's amendment which was not fully explained. It is in the Record today but nevertheless, it makes in order certain nongermane amendments which I think should have complied with the rules of the House, and not be waived by the rule that is before us.

Further, I join others in objecting to the procedure of this House floor, when important matters for the last months have been denied a vote on this House floor by this Committee on Rules and by others. It could have easily made in order legislation that would provide for the consideration of legislation to raise the minimum wage.

That is directly related to the proposition that we have before us, Mr. Chairman, because the fundamental tenant of a free public and assisted housing, trying to help those that have to attain sanitary and safe housing. In fact, since 1997 our Nation has championed public and assisted housing to meet that need. Today we have 13 million families in public and assisted housing.

The fact is that unfortunately, 13 million families are eligible for such housing today, and that is a direct result of the economic disparities that exist in our American economy and in our society. The fact is that the minimum wage is one of the major means that we have, one of the major tools that we have available to change those disparities.

It is important I think that we have other programs such as housing, that we have other programs such as health care programs that rise to try and meet and set minimum standards for individuals, but I think we need to start right out of the gate. We need to do all that we can to try and enhance the wages of those persons so that they can meet their housing needs, so that they can put food on the table, so that they can meet their health needs. But unfortunately today this Congress is demonstrating a refusal to consider raising the minimum wage even 90 cents or a dollar, which in fact would affect nearly 13 million American workers.

These are not teenagers. Half of them are over 25 years of age, and many of them are the very individuals that we are talking about in terms of this assisted and public housing. One individual article pointed out that almost everyone in this country is that available for housing, that needs it, can get public housing.

As I have said, only about 10 percent of the poor actually, there is only that much housing, so 90 percent are out there struggling and sometimes they fall. Sometimes they end up homeless. They are out there trying to get the health care and take care of their basic needs.

Too often American workers are forced to take jobs that pay substandard wages and have no health benefits, yet my Republican colleagues will say you don’t need to raise the minimum wage because it will hurt American workers. Well, it is not quite clear to me how giving 10 million American workers an extra raise over the next 2 years will hurt them? Especially since the real value of the current minimum wage has fallen by one-quarter over the past 15 years.

At a time when U.S. corporations are making record profits and the economy is strong and stable, it is unreasonable that working families receive wages far below the poverty level. This is the unhappy and sad status of our society as we move into the 21st century. Whatever means American workers had to achieve a minimum standard of pay in the past has been broken over the last decades. This condition—this circumstance must stop and be corrected. Our Nation should be moving beyond even a minimum wage to be a livable wage for workers and their families. Our workers deserve to be paid a fair day’s wage for a fair day’s work. Employers and corporations must be held accountable to provide a fair shake to American working families.

The answer for the minimum wage earner is $8,840. This is not an exorbitant wage. Imagine a family trying to live on this amount. It may not seem possible, but it is done every day in this country. There is a serious problem in our society when hard-working families, holding down full-time jobs, can’t meet their families out of the poverty cycle, while company executives earn an average of 70 times that of their average employee.

Let’s not make America a caste system. We need to raise the minimum wage and ensure workers are paid a fair and livable wage. We need to let this Republican Congress know that we will fight to protect workers and that promoting the special interest of mega-corporations at the expense of working Americans is wrong. We need to return to the days when a worker made for a family, a wage that provides a decent home and a good opportunities for his or her family—the promise of America. We need to give dignity and justice back to American working families which they earn every day on the job.

We also should do all that we can to try and enhance the wages of those persons so that they can meet their housing needs, so that they can put food on the table, so that they can meet their health needs. But unfortunately today this Congress is demonstrating a refusal to consider raising the minimum wage even 90 cents or a dollar, which in fact would affect nearly 13 million American workers.

These are not teenagers. Half of them are over 25 years of age, and many of them are the very individuals that we are talking about in terms of this assisted and public housing. One individual article pointed out that almost everyone in this country is that available for housing, that needs it, can get public housing.

As I have said, only about 10 percent of the poor actually, there is only that much housing, so 90 percent are out there struggling and sometimes they fall. Sometimes they end up homeless. They are out there trying to get the health care and take care of their basic needs. But the best thing that we could do for them is to provide an opportunity, a minimum wage that would help them meet their own needs, to make very pay.

That is really what this should be about. This Congress should be busy on that track to try and respond, not to create more transfer programs. Even now I see that my colleagues on the other side of the aisle have a new-found affinity for the earned income tax credit. But again, that is a transfer payment. It is a good program. We pushed it, I think, as far as it probably can go.

The fact is we should not be subsidizing corporations and others that are refusing to actually pay a minimum wage, a livable wage. When we stop and think about what a minimum wage is, it is only $8,800 a year. Very few families are going to be able to survive on that.

What is happening here in this particular bill is that we are pulling the rug out from under the public in assistance housing programs. This is limiting basically the amount of assistance. In fact, we are really repealing the 1949 law. It is not just the repeal of a law that is archaic. It is not archaic. I urge the defeat of this particular rule.

Mr. Speaker, I would say to my friend from Minnesota who raised the issue of waivers on the manager’s amendment, the manager’s amendment was fashioned after hours and hours of negotiations that took place between the chairman of the Subcommittee on Housing and Community Opportunity and Secretary Cisneros, and while there was not an agreement on every single issue, it was a compromise that was struck with them.

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. KING].

Mr. KING. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of the rule for H.R. 2406, and urge my colleagues to support both the rule and this truly historic and revolutionary legislation.

I also must commend my good friend and fellow New Yorker, Rick Lazio, chairman of the Subcommittee on Housing and Community Opportunity and Secretary Cisneros, for the outstanding work and dedication he has shown in addressing the issue of public housing, of introducing this critical legislation.

Mr. Speaker, public housing in this country has been a failed policy but H.R. 2406 will, among other things, reform public housing by putting power back into the hands of local communities and by making public housing authorities accountable to professional standards of management. This is an outstanding bill that is revolutionary legislation, and I urge its adoption.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, because the fundamental tenant of a free public and assisted housing, trying to help those that have to attain sanitary and safe housing, it is a good program. We pushed it, I think, as far as it probably can go.

Mr. Speaker, I rise in strong opposition to this rule on a number of different fronts. First and foremost, I rise in opposition because of the procedures that we are operating under in terms of what the rule provides.

We ought to recognize that during the last evening, as we were before the Committee on Rules, early in the evening, for the first time I saw the manager’s amendment. The Committee on Rules itself indicated to me that this was a highly unusual circumstance. We had no ability to reflect upon or understand what was contained in the manager’s amendment.

The staff of the Committee on Banking and Financial Services, which is here on the floor this afternoon, went upon or understand what was contained in the manager’s amendment.
Mr. FLANAGAN. Mr. Speaker, I rise today in support of H.R. 2406, the U.S. Housing Act of 1996. I thank Mr. Lazio, chairman of the Housing and Community Opportunity Subcommittee, and the committee for their efforts on this excellent piece of legislation.

Mr. Speaker, this is an important bill to all communities. Passage of H.R. 2406 will ensure that local housing authorities, not Washington bureaucrats, are responsible for the management of local housing plans. Residents of public housing will assume responsibility for the day-to-day operations of the housing project, thus having an active rather than passive role in managing their facilities.

America’s housing system is a total disgrace. Many families have found themselves trapped in a system that was originally designed as a short-term solution to what has become a long-term problem. Centralizing a housing program, which has become very complex, is not the way to serve residents of those housing complexes. Washington cannot effectively serve communities across the country who all have different needs. Local authorities are, for obvious reasons, much more concerned with the residents of their community. Local organizations who know and understand the needs of the communities will be much more efficient and effective in making the decision that will affect their lives.

In 1966 in Chicago, a lawsuit—Gautreaux versus the Chicago Housing Authority—was filed. The objective of the suit was to prove that there was an intentional pattern of racial discrimination against tenants of CHA sites. In 1969, the Federal judge—Judge Richard Austin—ruled in favor of the plaintiffs. A new problem emerged. Desegregating public housing complexes in the city was going to be much more difficult than desegregating a school. Since the Gautreaux decision, there have been many problems with implementing the court order.

There is no need nor any benefit to forced, instituted social engineering from Washington. Had H.R. 2406 been the law at the time of this suit, there most likely would not be the problems that we have today. Federal judges, appointed for life, were allowed to write laws in the face of congressional inaction. Local communities could have determined their own accommodation, if they had been given the opportunity to do so. At long last, this legislation would empower localities.

H.R. 2406, the U.S. Housing Act of 1996, is an excellent bill. I commend the committee as a whole, and especially Chairman Lazio for all the hard work and commitment to America’s communities. I only wish that a bill like this had been enacted many years ago. It will certainly benefit local neighborhoods.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Mr. Speaker, I come this afternoon sharing a fond relationship with the gentleman from New York [Mr. Lazio] the chairman of the committee, and thank him and his staff for working with my staff in trying to get this important legislation passed. In light of that, there are some serious concerns that make me juxtapose wanting to see this particular rule pass at this time, because some of the concerns that those of us who are not only Members of this body but also providers of housing and development need to ask ourselves what is necessary for people to put a roof over their head, to keep a roof over their head, are not included in this particular piece of legislation.

The best means of trying to get people to that point, where they can be self-sufficient, when they can take care of their own responsibility, is to create for them opportunities for income, rather than creating a bill that takes away from them the means of relief that they are currently available in trying to determine whether or not they are going to put food on the table or whether or not they are going to pay other bills.

It is extremely difficult for me to understand how one can argue that this bill, along with welfare, makes sense, and this bill, along with minimum wage, does not make sense. If you are talking about the same people in each class and in each category, it becomes almost impossible to put together a bill that raises the minimum wage, yet is beneath the poverty line, is only able to provide for shelter for their family by virtue of the fact that they have access to the public housing, and then say though you will be paying more out of the little bit that you do make, you are not going to give consideration to a minimum wage bill that will allow you to be able to pay the difference between what we are not charging you.

It makes no sense to me as a body responsible for making sure that every citizen in this Nation not only has an opportunity to be able to live to the best degree possible, that we do not even have in this an affordable housing provision that allows for people to be able to work their way out of public housing into an affordable housing category, so that they can have the benefit of sharing in the American dream of having what they already have available.

I would agree with my colleagues, if we could get rid of public housing and put everybody into a home, that would make sense. This bill does not do that. Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very able colleague, the gentleman from Bloomfield, MI [Mr. Knollenberg].

Mr. KNOLENNBERG. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I strongly support the rule and the underlying bill. This bill repeals an outdated, depression-era law and puts the power and responsibility through the manager’s amendment and found at least three whole new programs that were contained within the manager’s amendment, which none of us were ever even made aware of.

While some of these programs might very well end up making some sense somewhere down the line, the fact of the matter is, to have them contained where we have never had a hearing, where we do not understand what all the implications of these provisions might be, we have got the vouchering out of public housing by housing authorities under certain terms and conditions, that none of us are clear upon, we have got another amendment that is contained within that provides for a wholesale exemption of the Brooke amendment, which guarantees the 30-percent ceiling on the amount people are going to pay for rent, regardless of whether or not we pass the Brooke amendment today on the House floor and not part of our Nation’s commitment to the poor. These demonstration programs, which were 30 in number in the U.S. Senate, are rising to over 300, which are also mandated in the fine print to include New York City, with 100,000 units of public housing.

This is the kind of legislation where we have some sort of self-sufficiency, the PI P program I guess. Somehow each individual that attains public housing is going to have to file a statement with someone, somewhere, to determine what their own personal plans are for improving themselves in the future.

Mr. Speaker, I urge strongly that we defeat this rule and look out for the needs of working class Americans.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I respond to my friend by saying that all three programs he mentioned was specifically at the request of the Secretary of Housing and Urban Development. It is voluntary vouchering out of public housing, which is a priority item.

Mr. KENNDY of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DREIER. Mr. Speaker, we are very limited on time. I am just responding to the gentleman.

Mr. KENNDY of Massachusetts. Mr. Speaker, it is very unfair for the gentleman to suggest that, when I talked to the Secretary himself and he disagrees wholeheartedly, very strongly with that statement.

Mr. DREIER. It is a specific request. Mr. KENNDY of Massachusetts. Do not lie about it on the House floor, David.

Mr. DREIER. I am simply providing what staff has informed us, that the Secretary of Housing and Development requested that of the Subcommittee on Housing.

Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from Chicago [Mr. FLANAGAN].

[Mr. FLANAGAN asked and was given permission to revise and extend his remarks.]
Mr. BEILENSON. Mr. Speaker, I yield 1 1/2 minutes to the gentlewoman from Georgia [Ms. McKinney].

Ms. MCKINNEY. Mr. Speaker, a major part of the American dream is to own your own home. Unfortunately, for millions of people in public housing, this dream has little chance of becoming reality, because they don't earn enough to get out of public housing.

As a result, Mr. Speaker, the U.S. taxpayer covers the cost of public housing because millions of working poor don't make enough money to pay rent and put food on the table. A large part of the reason for this is our tragically out-of-date welfare system. We could do a great deal to move people out of public housing by increasing the minimum wage to a level where people can earn enough to move out on their own. Unfortunately, the Republican leadership is so out of touch with the minimum wage that they would rather kick the working poor into the streets.

Mr. Speaker, this bill misses the point. The way we reduce the need for public housing is to give people a living wage, and today's minimum wage is certainly not a living wage.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Long Beach, CA [Mr. Horn].

Mr. HORN. Mr. Speaker, I rise today in strong support of the rule and the U.S. Housing Act of 1996. It means real reform and it means hope for our nation's housing residents, who feel that the tremendous obstacles that have existed in the law for many years, will end the cruel hoax of our outdated, inefficient, ineffective public housing system. It scraps the system that tolerates failure and replaces it with safe, clean, healthy, affordable housing for vulnerable citizens. It gives low-income Americans hope and opportunity by removing obstacles to work and insisting on professional management standards in local public housing authorities.

By passing this bill, Mr. Speaker, the House will be saying yes to accountability and to work incentives, and no to bloated bureaucracies and the decay of our neighborhoods.

I would like to thank the gentleman from New York [Mr. Lazio] for including in his manager's amendment a provision that is very important to the people of the city and county of Los Angeles. The manager's amendment extends the authority of the city and county of Los Angeles to house up to 25 percent of their community development block grant funding on public service. This desperately needed provision fits well into the Republican effort to return broader decision making authority to state and local governments.

Mr. Speaker, I urge all of my colleagues on both sides of the aisle to forget the past, forget the decrepit, rotten housing we have provided for the most vulnerable over the years, and vote for the U.S. Housing Act, which means real reform that will mean better living conditions for low-income Americans.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. Roemer].

Mr. ROEMER. Mr. Speaker, so many Americans are working two jobs, they are making sacrifices for their children, and they still cannot get to the American dream of homeownership. One affordable and quality option for many of these Americans is manufactured housing. We have worked very hard and achieved a delicate balance with Republicans and Democrats, with consumer groups and taxpayer groups, in a bipartisan way, to put together an affordable housing block grant that will increase the availability and the access to this very important industry and to this dream.

Republicans, such as the gentleman from California, Mr. Rohrabacher and Mr. Calvert, and the gentleman from Florida, Mr. McCollum, have supported this, as well as the gentleman from Texas, Mr. Gonzalez, and the gentleman from Minnesota, Mr. Vento. We also have strong consumer support for this amendment. I think that is the way to go as we downsize HUD, as we get input from the industry, as we get input from consumer groups, as we try to make available to hard working Americans this great dream. Let us try to have as many options as are available to these hard working Americans, and manufactured housing and a better understanding of manufactured housing certainly is that option.

I intend to offer in a bipartisan way this bipartisan amendment, and hope to get the support of this House.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Appleton, WI [Mr. Roth], my colleague on the Committee on Banking and Financial Services.

Mr. ROTH. Mr. Speaker, that is a very good bill and it is a good rule. In fact, the gentleman from California in yielding me the time had mentioned Appleton, WI. Well, it was Green Bay, Wisconsin, where they initially started this voucher program as a pilot program and it worked out very well.

This is a good bill because the gentleman from New York [Mr. Lazio] and the people working on that committee had looked at this in depth. Let me point out that this bill now takes some of the power from Washington and puts it in the hands of local communities. But, Mr. Speaker, it does more than that. It gives it to private, nonprofit organizations; it gives it to the people who actually live in those housing units.

It also gives them the vouchers so that the tenant now has freedom of choice. If the tenant does not want to live in this unit, this tenant can find another unit so he or she can vote with their feet. It brings the free market forces into public housing, which is what is so desperately needed.

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Mr. Speaker, this bill misses the point. The way we reduce the need for public housing is to give people a living wage, and today's minimum wage is certainly not a living wage.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my very thoughtful colleague, the gentleman from Long Beach, CA [Mr. Horn].
hypothesis on the American people. They refuse to raise the minimum wage by a lousy 90 cents and the bill before us would raise rent on the poorest and most vulnerable Americans, Americans who are only making minimum wage.

Mr. Speaker, they pass a bill to this floor to raise public housing rents for the elderly, single mothers, and the working poor, when the overwhelming majority of Americans, 78 percent, believe this Congress should consider a modest 90-cent increase in the minimum wage, but my colleagues on the other side of the aisle say, "No way."

This rule on this bill shows clearly this is a distorted prioritization. We could give 11 million Americans a tiny raise. Six out of 10 workers earning the minimum wage are women, many of whom are single parents. Seventy-two percent of these women are adults 20 years or over.

So much for Mother's Day. So much for family values, my Republican friends. They have just gone too far, Mr. Speaker. We cannot justify this attack on poor and working families. Let us ask ourselves the most fundamental question and craft a rule that will bring a minimum wage increase to this floor. If the Republicans want to raise the rents on seniors tomorrow, let them try. But let us give 11 million Americans a raise today.

PARLIAMENTARY INQUIRY

Mr. DREIER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. BUNNING). The gentleman will state it. Mr. DREIER. Mr. Speaker, may I inquire of the Chair what piece of legislation is before us?

The SPEAKER pro tempore (Mr. BUNNING). House Resolution 426. Mr. DREIER. And what is that, Mr. Speaker?

The SPEAKER pro tempore. Would the gentleman state it, Mr. DREIER?

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE). (Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).
Mr. Speaker, I say to the gentleman from Washington [Mr. METCALF], the gentleman from California [Mr. HORN], and the gentleman from New York [Mr. LAZIO], please vote against the previous question so we can have a vote on the minimum-wage worker takes home only $9,867 since April 17, but a minimum-wage worker takes home only $8,840 in an entire year.

Mr. Speaker, I call on this House, I call on the Speaker, to stop stifling working Americans. Defeat the previous question so we can get a clean up-or-down vote to raise the minimum wage in this country.

Mr. DREIER. Mr. Speaker, I yield 1½ minutes to the gentleman from New Providence [Mr. FRANKS].

Mr. FRANKS of New Jersey asked and was given permission to revise and extend his remarks.

Mr. Speaker, I yield to the gentleman from New York [Mr. LAZIO] on its innovative effort to bring reform to America’s Byzantine housing laws.

Mr. Speaker, we have a golden opportunity to correct the improper median income calculation for Rockland County. 

Since HUD’s income levels are used to elect tenants to their local housing and management authorities. For too long the residents of public housing have been subjected to poor living conditions. Those conditions often go unaddressed because tenants have no elected representation on the very housing authorities that oversee these dwellings.

Mr. Speaker, I yield 1 minute to the gentleman from Texas, Mr. GENE GREEN.

Mr. Speaker, I rise today in support of the U.S. Housing Act of 1995 and commend its sponsor, the distinguished gentleman from New York [Mr. LAZIO], for all of his diligent work in bringing this important legislation creating a new public housing framework to the floor. In addition, I yield to the gentleman from New Jersey [Mr. GILMAN] as the chairman of the Committee on International Relations.

Mr. Speaker, I yield 2 minutes to the gentleman from Middletown, NY [Mr. GILMAN], distinguished chairman of the Committee on International Relations.

Mr. Speaker, I yield to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, this debate centers on two issues. At a time when the gap between the rich and the poor is growing wider, when the real wages of American workers has declined by 16 percent over the last 20 years, when most of the new jobs being created are low wage jobs, part-time jobs, temporary jobs, we must raise the minimum wage so that, if somebody works 40 hours a week, they do not live in poverty. 

Second, given the struggle that so many working poor are experiencing today, why would anybody want to raise the rents that low-income people have to pay in public housing? Why would anybody tell the elderly poor, who are barely surviving on Social Security, that they must pay higher rents than they are paying today? This is a bad rule. Let us defeat it.

Mr. Speaker, I yield 1½ minutes to our able new colleague from Gallipolis, OH [Mr. CREMEANS].

Mr. CREMEANS asked and was given permission to revise and extend his remarks.

Mr. CREMEANS. Mr. Speaker, I rise today in support of H.R. 2406, the United States Housing Act of 1996. This legislation is long overdue.

Years ago, large high rise housing developments were built, and widely praised by public housing advocates. Times have changed, and so have these housing projects.

In public housing today, children cower under their beds, as bullets fly through the air right outside their bedroom windows. Senior citizens live with 10 locks on their doors yet still become victims of predators.

This is not public assistance, this is torture—and it must be stopped. Congress has heard the call for help from public housing residents, and has responded with this legislation.

This new Housing Act will reverse the cycle of poverty that keeps families in public housing developments for generations.

It eliminates those Federal policies that discourage work and self-sufficiency.

And it will close public housing authorities that are beyond repair. 

This Housing Act is a significant departure from previous attempts to reform public housing. This bill reflects the realization that local public housing directors know best how to reform
troubled authorities, not a Federal bureaucracy in Washington.

I urge my colleagues to support this long overdue legislation.

Mr. BEILENSON. Mr. Speaker, I yield 2 minutes to the distinguished gentlema as Mr. Doggett.

Mr. DOGGETT. Mr. Speaker, America needs a raise. With the minimum wage providing the least purchasing power in almost four decades, America needs a raise. I concluded that our Republican colleagues have finally heard this call for a raise. They know American working people need a raise, and so they have given us their response this afternoon. They are going to raise rents instead of raising wages.

I say it is time to raise the roof because it is not right and fair to American working people that are out there trying to make ends meet to raise their rents without raising their wages.

We will have an opportunity in the next few seconds to vote on whether the minimum wage rises above its 40-year low. All that stands between American working families and an increase in the minimum wage are eight Republican colleagues; not very many, eight Members.

Three members of the Republican caucus have already gone out in front of the television cameras and announced that they are for an increase in the minimum wage. Yet, they have not yet mustered the willingness on the last two votes to raise the minimum wage in the last 2 weeks in this Congress to do just that.

I know the gentleman from California, my friend, says that it is not germane to this debate to talk about the minimum wage. It may not be germane to the elites, but let me tell you, it is mighty germane to the people that are out there scrubbing the floors, folding the linens in the motel rooms, serving the fast foods, picking the peas. These are the kinds of people that are doing the hard dirty work in our society.

It was only on April 17 that the Speaker of the House, and he was out here on the floor earlier, front page story, headlines, "Republicans Told To Brace for Vote on Minimum Wage, Gingrich Warns Caucus." April 17.

But only a few days later, after all the special interest lobbyists had worked their way, they changed their tune. Let us vote to raise the minimum wage.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Stamford, CT [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding time to me.

The bottom line to this is, this is a vote on the housing bill, on the minimum wage. I urge my colleagues to vote for the previous question so we can reform public housing, which I have overseen for 9 years.

I can tell my colleagues it is in need of tremendous reform. To those who say it is a vote on minimum wage, I will say to them, my colleagues, I am absolutely convinced we will have a vote on this issue. I happen to be one of the eight that the gentleman has made reference to. To me, it is not lost that Democrats had 2 years when they controlled the White House and Congress. It is kind of embarrassing that they make it an issue today, when they could have done it when they controlled both the White House and Congress.

I see this vote on the minimum wage today as a political vote, not a substantive vote. I urge my colleagues to vote for the previous question. Get on with our job, and we are going to do it. And we are going to do it the right way.

Mr. BEILENSON. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, in closing let me simply say again that we do support the rule. But we urge a no vote on the previous question. If the previous question is defeated, I shall offer an amendment to the order and create a new section in the rule. The provision would direct the Committee on Rules, as the Speaker knows, to report a resolution immediately that would provide for consideration of a bill to incrementally increase the minimum wage from its current $4.25 an hour to $5.15 an hour beginning on July 4, 1997. That would provide for a separate vote on the minimum wage. Let me make it clear to my colleagues both Democrats and Republicans that deferring the decision on the minimum wage vote will in fact allow the House to vote on the minimum wage increase. That is what 80 percent of the Americans want us to do. So let us do it.

I include the text of this amendment and accompanying documents for the RECORD at this point in the debate:

At the end of the resolution add the following new section:

"Sec. 4. The House of Representatives directs the Committee on Rules to report immediately a resolution providing for the consideration of a measure to increase the minimum wage to $4.25 an hour in $0.25 an hour during the year beginning July 4, 1996, and not less than $5.15 an hour after July 3, 1997."

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Republican majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives. (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the majority of the Members controlling the previous question will in fact allow the House to vote on the minimum wage increase." "To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's rulings on this point that the fact that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition." In order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker J. Joseph G. Cannon (R-Illinois) said: The previous question was the one of the only available tools for the Republicans describe the previous question vote in their own manual:

"The vote on the previous question on a rule does have substantive policy implications. It is the one of the only available tools for those who oppose the Republican majority's agenda to offer an alternative plan."

Mr. Speaker, I urge a no vote on the previous question and "yes" on the rule itself.

Mr. DREIER. Mr. Speaker, I yield myself the balance of my time.

I do so to say that those who are attempting to defeat the previous question here in fact going to block our effort here which this subcommittee has put together to clean up the corrupt and horrible public housing that we have in this country. Let me conclude by reminding my colleagues that defeating the previous question is an exercise in futility because the minority wants to offer an amendment that will be ruled out of order as non-germane to this rule. That is the rules of this House. The fact of the matter is this is a vote with voting for the Republican agenda.

The previous-question vote itself is simply a procedural vote to close debate on this rule and proceed to a vote on its adoption. The vote has no substantive or policy implications whatsoever.

Mr. Speaker, I insert in the RECORD an explanation of the previous question:
Mr. MORAN changed his vote from "yea" to "nay." Mr. CASTLE changed his vote from "nay" to "yea."

So the previous question was ordered. The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). The question is on the resolution.

The resolution was agreed to. A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HOSTETTLER. Mr. Speaker, on rollcall No. 153, I was unavoidably delayed. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mrs. SEASTRAND. Mr. Speaker, on rollcall No. 153, I was unavoidably late. Had I been present, I would have voted "aye."

The SPEAKER pro tempore. Pursuant to House Resolution 426 and rule XXII, the Chair declares the House in the committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2406. 

In the Committee of the Whole

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2406) to repeal the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes; with Mr. GUNDERSON in the chair. The Clerk read the title of the bill. The CHAIRMAN, Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the chairman of New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] will each be recognized for 30 minutes.

The CHAIRMAN recognizes the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we are at the precipice of an important moment in terms of our Nation's communities. Before we begin our debate today on the Housing
Income targeting provisions ensure that no one is well served by the gigantic hulks of despair all too often associated with public housing. Families and taxpayers have suffered. The costs associated with public housing have risen dramatically over the last 10 or 15 years, the same time median incomes have fallen, a direct result of these policies.

More of the very poor were being sheltered, but taxpayers are being asked to pay more for decaying, often hideous properties that serve to those very same poor people in perpetual poverty. But as I say, this is not a financial equation. The real cost is not to the taxpayers, but to the families and the children who are forced to live in squalor.

Mr. Chairman, we have a chance to make housing assistance work again, and 2406 is the vehicle for this kind of change. The Housing Act of 1996 requires that the hulks of failure that characterize public housing be vouchered out. The chronically failed and mismanaged housing authorities that have wasted taxpayers' money will be cut off completely, and local management groups, even tenants in nonprofits will be brought in to do the work that housing authorities have failed to do.

This legislation starts moving these communities back to environments where families are not trapped, where residents are not asked to bear an expectation of being self-sufficient again. It makes public housing transitional, not by punishing long stays, but by establishing a contract between a housing authority and the residents that clearly lays out the rights and responsibilities of each.

It encourages entrepreneurship on the part of housing authorities and tenants, letting them put money back into their community and encouraging the kind of initiatives that can turn around a neighborhood, a family, and even a person's life.

This bill realizes that to be successful, we have to end the Washington-based model that enforces inappropriate one-size-fits-all policies that have represented the policies of the last 30 years in our local communities. It repeals Federal tenant preferences and replaces them with local preferences. It ends overly restrictive targeting and gives local communities the power to set rents based on community needs, rents that will help people return to the work force.

This legislation changes the whole way the Government looks at housing assistance and is a step toward forging a new partnership and a new relationship between citizens and Government, one where Government can truly be a part of the solution.

I am very proud to be here today before this Congress, Mr. Chairman, to present the United States Housing Act of 1996, because I believe, Mr. Chairman, this is a step toward hope for many of the people about whom we care most. I look forward to this debate because here in this House, the house of the American people, we have to face the reality of the 20th century and the challenges of the 21st century. Here today is where we define the future, Mr. Chairman.

Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill really for the first time enacts into law the fundamental and un-American principle of blaming the victim. That is what this bill is all about.

We essentially have seen over the course of the last several years, politician after politician walk before every housing monstrosity in the United States, point to public housing, time and time again, and say, "This is an example of liberal Democratic politics at its worst. This is an eyesore, an acute demonstration of what the Johnnycome-latelys have done to Government spending."

The truth of the matter is that public housing policy in this country is the greatest unfulfilled dream that has ever been encountered by man. What we have said is that we are going to house poor people. But then we never gave the housing authorities anything close to the resources that were necessary to provide the housing that was asked to give to the people that are of such low income.

Then what we do is, after we starve those public housing authorities and the individual public housing projects, we come along, take a picture of ourselves in front of them, and say, "This is a terrible example of Government spending." What do we do? What is our solution to this problem? It is to cut the funding.

Last year without a single hearing we cut in order to solve the problem of public housing, 25 percent of the budget of public housing. Now what we are doing in this bill is coming back and saying, "Look, public housing does not work, so what we are going to do is essentially allow and enact into law provisions which allow us to jack up the rents on the people that exist in public housing, thereby throwing a lot of poor people out of public housing, and, I might add, working families out of public housing."

This bill, more than anything else, hurts working families, the working poor. People that earn the minimum wage are going to be displaced by the actions taken in this bill.

What we are saying is that when you are in public housing, we are going to knock you out; if you are in assisted housing, we are going to knock you out; if you are elderly or disabled, you are at risk. Those are the provisions that are hidden in the sneaky language that we are not going to hear by the other side of the aisle.

What is important for us to recognize, Mr. Chairman, is yes, there need
to be changes in how we handle public housing. I think Secretary Cisneros and President Clinton deserve credit, as I want to provide credit to Chairman Lazio, for the portions of this bill that allow us to cut out badly run public housing authorities, to cut out badly run public housing agencies, to get rid of the one-for-one public housing criteria that was included in past bills, to deal with the Federal preferences which have gotten us far too concentrated on serving just the very, very poor.

Mr. Lazio of New York. Mr. Chairman, I yield myself time as I may consume.

Mr. Chairman, I want to make one comment here. In terms of this bill, there is some rhetoric involving the Housing Vouchers Program in this bill that raises the rents on a single person now in public or assisted housing. Seniors are protected. The disabled are protected, and the poorest of the poor are protected. What we are trying to do is remove obstacles to work.

I also want to thank my colleague, the gentleman from Massachusetts [Mr. Kennedy], for his cooperation throughout the process. Thank you very much, Joe Kennedy.

Mr. Chairman, I yield 3 minutes to my friend and colleague, the gentleman from Iowa [Mr. Leach], the distinguished chairman of the Committee on Banking and Financial Services.

Mr. Leach. Mr. Chairman, I rise in support of H.R. 2406 to thank Mr. Lazio for his leadership on this bill. The Banking Committee, the House, and indeed the American people, are indebted to the gentleman from New York for the hard work and intellect he has put into this major reform legislation.

Let me speak to several aspects of the bill.

The chief goal of the legislation is to expand choice for low and moderate income people and to devolve power from Washington to local communities.

The legislative intent is to move away from reliance on highrise public housing projects and encourage the use of housing vouchers. It is the assumption of the committee that it is cost effective, as well as compassionate, to give low and moderate income people the ability to get away from projects which too often are infested with crime and drug activity and communities where they can raise their families in safer, cleaner environments and where they will have an enhanced ability to improve their lives.

It is further the assumption of the committee that the people of the Boston and Indianapoleis and Daventry of the Nation can be trusted to more effectively and efficiently operate housing programs for the people of these communities than can those in Washington who the current law favors. Hence, the bill puts more power in the hands of those who know their localities best—the residents and local leaders who live in the communities affected.

H.R. 2406 is a prime example of commonsense reform. There is nothing radical or extreme here. The committee has simply recognized that government-built slums serve nobody's interest. What is needed is decent support for decent people who can make their own choices and control their own destinies.

I again congratulate Mr. Lazio for his leadership on this important legislation, and the staff of the Housing and Community Opportunity Subcommittee for many hours they have put into this effort.

Mr. Kennedy of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GONZALEZ], the former chairman of the Committee on Banking and Financial Services.

Mr. GONZALEZ. Mr. Chairman, H.R. 2406 in part follows bipartisan reforms adopted by the House in the last Congress, however, in part it profoundly departs from what had been a bipartisan policy of assuring that scarce Federal housing resources are used to help those who are in the greatest need. The basic assumption of H.R. 2406 is that local housing authorities should have the greatest possible leeway to spend Federal dollars. I am skeptical of a bill that provides precious few standards and guideposts to agencies that are dealing with the most complex and vexing of economic and social problems.

The bill is designed to encourage housing authorities to raise rents and to deny housing to people who cannot pay significant amounts for housing. This would have two effects: It would make housing authorities richer, and poor people poorer. It would increase the number of homeless people, and it would add to the distress of people who are already unable to meet their most basic needs. There is a better way to deal with the financial problems of housing authorities.

H.R. 2406 contains some sensible reforms most of which the House has already passed with overwhelming support. Unhappily, the bill also contains many simplistic and ultimately unworkable provisions, which I hope the amendment process will improve.

Mr. Lazio of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, this legislation returns decisionmaking authority to the local level instead of a Washington bureaucracy, allowing public housing authorities to provide clean, safe, healthy, and affordable housing to needy persons and families in a more cost-effective and managerially sound manner. It is imperative, in my judgment, that we reform the Nation's public housing programs to weed out those that have chronic problems and to encourage local housing authorities to tailor their programs to the specialized needs of their community.

I am particularly pleased that Chairman Lazio has included provisions in the manager's amendment that deal with housing occupancy standards. Last week I introduced a bill which has been included in the amendment that would clarify that States should be able to set occupancy standards and not HUD.

There is a national consensus that the maximum number of occupants...
most housing can accommodate without triggering the negative effects of crowding is two people per bedroom. The provision in the bill is a necessary clarification to stop attempts by HUD to adopt unrealistic occupancy policies. Specifically, HUD is issuing an innovation demanding housing providers to accept beyond two people per bedroom, a policy that would lead to overcrowding, and take control of the apartment properties away from their owners and managers. The manager’s amendment provisions would clarify: First, HUD may not micromanage this issue by setting Federal occupancy standards; second, that State occupancy standards are authoritative; and third, that in the absence of the State standards, a two-person-per-bedroom policy is assumed reasonable.

This provision is supported by a remarkably wide range of housing providers, including all of the public housing associations as well as home builders, apartment owners, developers, seniors housing, section 8, and manufactured housing groups.

The bill overall will encourage mixed income populations instead of segregating the poor. The bill will help end the cycle which has perpetuated dependence on Federal support and disincentives to work.

Additionally, this bill imposes a death penalty on poorly run public housing with low occupancy and long records of failure. The time is overdue to change the Washington-knows-best attitude toward public housing. Who else should know how best to serve residents in communities than local housing providers who live and work in those areas? Chairman Lazio and his staff have drafted a commendable bill, and I encourage its support.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to my good friend, the gentleman from New York [Mr. Lazio], who is himself an innovator, developer of low-income housing in New York City.

Mr. FLAKE. Mr. Chairman, I rise in opposition to H.R. 2406, the United States Housing Act. I would, however, like to commend my friend, Mr. Lazio, and his staff on their leadership and outstanding efforts to produce a housing bill that Members on both sides of the aisle could support. Unfortunately, Mr. Lazio’s bill has good intentions, but falls short in its efforts to protect public housing’s poorest families.

Mr. Chairman, the United States Housing Act, essentially closes the door on poor public housing residents. The bill makes small efforts to accommodate the poor by reserving 30 percent of public housing units for families of four who are living on approximately $15,000 a year in a city with high living standards like New York. Statistics show that the average income of residents in public housing is $6,400 a year. So it is not surprising that this type of housing policy does not provide for dire housing needs of the poorest housing residents. In the absence of such a policy, we will find more people on the streets.

Mr. Chairman, I am truly concerned that this bill will have a drastic effect on the housing of the poor in New York. According to the provisions included in this manager’s amendment to this bill, the New York City Housing Authority, as a well-performing local housing authority, would not be subject to any rent caps or targeting. Without these rent caps and targeting provisions, it is assurance that a public housing authority will provide poor families who are unable to pay higher rents with housing. Public housing was not designed to accommodate those who can pay the most. Private rental housing is designed for that. In a country such as the United States with such a wealth of resources, poor families should not have to go without shelter. Mr. Chairman, there are 225,000 people living on the housing allowance given quick legislative fixes which have resulted in regulation based on regulation placing local housing authorities in a stranglehold, unable to address problems at the community level.

The Great Society programs of the last 30 years, although well intentioned, only exacerbate the downward spiral of our low-income communities. By allowing government to replace the institutions that give structure and order to our neighborhoods, the Great Society programs have fractured these communities and placed unnecessary obstacles in the way of faith, family, work, and community.

Big government is part of the problem—not the solution. We need to promote an infrastructure where solutions to these problems can come from anyone who has the same zip code as the people they are helping. H.R. 2406, the United States Housing Act of 1996, does this.

This bill eliminates the existing 3,400 public housing authorities and replaces each with a new local management housing authority [Mr. Lazio]. These local management housing authorities will be allowed to make decisions, within broad parameters, tailored to the specialized needs of local communities.

H.R. 2406 puts power in the hands of local communities, residents, and nonprofits, not Washington bureaucrats, by ending monopolies some public housing authorities have over housing for low-income American families. This bill ends the reliance on the flawed bureaucratic views of the worst-case housing assistance: that more boutique programs and more money means better living conditions. This bill addresses the fundamental needs of people and communities.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Chairman, the time is right for us to replace an outdated Depression-era law that was written in 1937. Instead of being rewritten to reflect modern housing needs and the challenges associated with public housing entities, the 1937 provisions have been amended equitably in this process. Let’s protect the interests of these individuals. The Kennedy and the Frank/Gutierrez amendment attempts to protect these individuals and I urge support for each.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oklahoma [Mr. WATTS].

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many cases no income at all. These are the families that programs like public and assisted housing are designed to help.

How can we bring this bill to the floor when we know that worst-case housing is still an actual problem. The number of people on welfare is 5.3 million in 1993, and that number has remained high? Almost 2 million of those with worst-case needs are working households, including many working-poor families with children.

Are we just turning our backs on these families? That is exactly what this bill does, and this is exactly why I cannot support it, unless we have these amendments.

Mr. Chairman, I am not just here because I want to preserve something that does not work. I am here because I know first hand about the needs of poor people. I am here because I know first hand about the families that live in these housing authorities. I did not visit them just 1 day. Every time I go home I make sure I spend time in public housing authorities.

Certainly we have problems, but these problems are not created by the people who need this housing. The problems sometimes are in management. We do not need to kick them out of housing by charging them higher rents. We need to support the ability for them to have a decent and safe place to live.

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to note on the issue of minimum rents, the gentlewoman from California had noted that issue. Minimum rents are set in this bill at $25 to $90 at the discretion of the local housing authority, but there is a hardship exemption—safety valve—for those people with a particular hardship or need.

Mr. Chairman, I yield 2 minutes to the gentleman from the great State of Delaware [Mr. CASTLE].

Well-run housing authorities, such as we have in Delaware, should be rewarded for their success. With the help of the chairman, during the markup of H.R. 2406, I successfully added an amendment requiring that the performance of a housing authority should be taken into account under the block grant allocation formula.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. CASTLE. Mr. Chairman, I would like to point out that well-run housing authorities are rewarded for running fiscally sound and physically safe housing facilities. Mr. Chairman, will changes made in the funding process reflect this goal?

Mr. LAZIO of New York. Yes. The intent of this legislation is to ensure that well-run housing authorities are not penalized for their success. Rather, they are rewarded for operating efficiently, and they are given appropriate levels of flexibility to reward that proven success in delivering housing services to their constituency.

Mr. CASTLE. Mr. Chairman, I am proud to support this much-needed legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I would like to point out that one of the rewards, the so-called rewards being referred to here, is in fact, the elimination of the Brooke amendment. So what we are saying is if you run a housing authority well, we are going to allow you to in fact turn your back on some of the poorer people in this country. We are going to allow you to turn your back on the amount of rent that those individuals that you are going to bring into the housing authority are going to be charged.

I do not think that that is the kind of reward system that we ought to be putting into place. I think we ought to hold these authorities to standards of performance that they in fact take care of those individuals, and when they do not take care of these, we ought to provide the power to the Secretary to usurp the local authority's power and to take that and be able to get the authority back on its feet through the appointment of an individual that has the power and authority to make the proper decisions.

Mr. LAZIO. Mr. Chairman, repealing the Housing Act of 1937 is not that sort of change. H.R. 2406 represents a significant departure from our national commitment to the poor and needy. Gone are such safety nets as income targeting, and the Brooke amendment. Even the majority leader from the other body and the Speaker of this House have joined the bandwagon by calling public housing the last bastion of socialism and that it should be abolished. What an outrage. They should be ashamed, posturing simply for political gain at the expense of this Nation's needy is disgraceful.

Decent and affordable housing is already out of reach for more than the 5 million neediest households. Let's end this charade! Housing legislation should address the problem that poor people have no roof over their heads, not push seniors, children, and poor families into the street. I urge my colleagues to oppose this cruel and shameful legislation.
Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I agree that we should end this charade, the charade that we measure compassion by sheltering or warehousing poor people. In some of the worst slums in America that have been built by the Federal Government. In State Street, Chicago, there are 10,000 people with an unemployment rate that is virtually universal. If that is now we measure compassion, then I am out of business. It is how we handle the people in this body measure compassion, that is why we are trying to break out of this mold. That is why we are trying to end the Brooke amendment, which penalizes work and is a disincentive to work.

Mr. Chairman, I yield 1½ minutes to my distinguished colleague, the gentleman from Washington [Mr. METCALF].

[Mr. METCALF asked and was given permission to revise and extend his remarks.]

Mr. METCALF. Mr. Chairman, I thank Subcommittee Chairman Lazio and Chairman Leach for bringing commonsense housing reform to the floor today. In the past, housing authorities have been burdened by excessive Federal regulations, bureaucracy, and paperwork. H.R. 2406 will deregulate public housing and given greater flexibility to well-run housing agencies. We must no longer tolerate chronically bad public housing authorities that have used taxpayers' dollars irresponsibly.

I also commend Mr. Lazio for his efforts to protect the most vulnerable populations. Under the manager's amendment, we cap rents at 30 percent of income for the elderly, disabled, and the very poor. This provision will protect a majority of current and prospective public housing residents.

The Act is not just a quick fix or an extreme solution. It is a real solution which will end public housing as we know it and take a step toward welfare reform.

I am fortunate to live in a district with good public housing agencies which will continue to serve those who need affordable housing. Whether it is the Everett Housing Authority or the Housing Authority of Island County, they express the same message: give us greater flexibility and less Federal interference. This is what Americans are asking for—eliminate unneeded Federal bureaucracy and transfer power and authority to State and local levels.

I ask my colleagues to support this commonsense legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to point out the fact that in the case of the Chicago Housing Authority, it does have over 50,000 residents and we do see enormous problems, it was Secretary Cisneros that went out there and took the bull by the horns and began to make changes in that housing authority. We do not need anything in this legislation to fix what is wrong with the Chicago Housing Authority. The fact of the matter is, the changes that we can make together and have agreement are very easy. The ones that we hope that Mr. Brooke and repeal the targeting are the ones that we have a problem with, and those portions of this legislation are what are going to unhinge the promise of public housing.

Mr. Chairman, I yield 2 minutes to my good friend, the gentlewoman from California [Ms. ROYBAL-ALLARD].

Ms. ROYBAL-ALLARD. Mr. Chairman, I want to thank Chairman Lazio and Mr. Kennedy for addressing the issues facing our Nation's housing providers and public and assisted housing residents.

I would also like to acknowledge Secretary Henry Cisneros for his leadership and successful efforts to improve our Nation's public housing programs.

The deregulation of the housing industry and the more efficient use of scarce housing resources are important goals. This bill, however, simply goes too far.

The repeal of the Brooke amendment and other changes to current income targeting laws in this bill will eliminate important safety nets, causing the devastation of millions of families across the country.

With the repeal of the Brooke amendment, in my Los Angeles district and over 10,000 residents will no longer be protected from rents that exceed 30 percent of their monthly income.

Furthermore, drastic cuts to income targeting in public and assisted housing will drastically reduce the availability of housing for thousands of families, many of whom are currently homeless or living far below the poverty line.

Although the bill contains provisions that authorize HUD to review the rent structures of authorities if certain income targets are not met or if a significant percent of tenants are paying over 30 percent of their incomes in rent, the bill does not have the guarantees of affordable and available housing that the Brooke amendment and current targeting laws provide.

Mr. Chairman, today we have the opportunity to preserve the Brooke and income targeting laws by voting for the amendments offered by Mr. Frank, Mr. GUTIERREZ, and Mr. Kennedy.

It is crucial that these amendments pass, if this bill is to successfully meet the challenge of public housing: To prevent homelessness and provide public and assisted housing to those in greatest need.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY], my good friend and an active member of the Subcommittee on Housing and Community Opportunity.

(Mrs. MALONEY asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY. Mr. Chairman, in 1937 we made a commitment to provide decent, affordable housing to our Nation's lower income citizens. That is a commitment I am not willing to scrap.

Public housing can work. It has been a tremendous success in New York City, where more than 225,000 New Yorkers are on the waiting list to get into public housing. Not all public housing in this country has been successful, and we need change. HUD is already taking steps to make needed changes.

Mr. Chairman, I want to take this opportunity to thank the members on both sides of the aisle for supporting the amendment I offered in committee with my colleague, the gentleman from Louisiana [Mr. BAKER], to allow HUD to review the long-term viability of the local housing management plans. Taxpayer dollars are being squandered, and we need change.

This amendment ensures that, and I thank Chairman Lazio from the great State of New York for accepting my amendment.
But while we work to improve public housing, we must not abdicate our commitment to our poorest public housing residents. The bill does just that. A 30-percent cap would be maintained for those elderly, disabled, and the very poor, but would only apply to current residents. What about the future residents who need housing? Even worse, within 3 years, the 300 best performing authorities would be completely exempt from even these minimal requirements.

The current Brooke provision provides renters, landlords, and appropriators with a standard. By abolishing the standard, I believe we abolish the mission. The bottom line is we can fix the problems in public housing without penalizing seniors and our poorest residents.

Let us make sure we stay focused on reforming the parts that do not work, not throwing out the parts that do.

Mr. BEREUTER of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just want to respond to the comments of the gentlewoman from Florida (Ms. SOUTH), the gentleman from New York (Mr. BEREUTER), and the one from Illinois (Mr. JACKSON) as to support their remarks and to an allusion to the so-called Brooke protection which is still in place as a ceiling for current tenants and prospectively for those poorest of the poor, the people at 30 percent or below median income, which is almost 76 percent of the population.

But Brooke, for those people that are trying to get themselves up the ladder and trying to work, has been a huge work disincentive. It is a job killer and a disincentive for people to transition back into the marketplace.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Nebraska (Mr. BEREUTER), the vice chairman of the Subcommittee on Housing and Community Opportunity.

Mr. BEREUTER asked and was given permission to revise and extend his remarks.

Mr. BEREUTER. Mr. Chairman, I rise in strong support of the legislation before us today, House Resolution 2406. I wanted to mention three or four specific items that I think thus far have not been enumerated. They are very important provisions.

Mr. Chairman, we have one which creates home ownership opportunities, that would clarify the home ownership opposition especially under the legislation and the ability of the housing authority and other low-income housing providers to undertake the process of preparation and sale of units to residents who are eligible for home ownership.

Second, we have a provision in here which clarifies and provides guidance on the factors necessary to require conversion of public housing assistance to vouchers, including some conditions and certain situations that are specified under the law. I think that is very important.

The financial assistance for severely distressed buildings with no eventual useful life will be terminated and, therefore, converted to housing voucher assistance.

There is a section here which is directed to voluntary vouchers out of public housing. That should be important to local housing and management authorities.

Mr. Chairman, let me move to two other items. We have one which we might refer to as shopping incentives for assisted families under a choice-based housing which rewards the market-rate selection of rental units that fall below the payment standard for that community.

Finally, a section which relates to homeowner vouchers, including some conditions that perhaps have not been mentioned, but they are important provisions that make an advance in housing for people across the country.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentleman from Illinois (Mr. JACKSON), my friend and our newest member of the subcommittee.

Mr. JACKSON of Illinois asked and was given permission to revise and extend his remarks.

Mr. JACKSON of Illinois. Mr. Chairman, I rise today to emphatically oppose the United States Housing Act of 1996 as it is currently drafted. In its present form, H.R. 2406 unravels 60 years of Federal housing policy by pulling the safety net out from under our Nation's most vulnerable and, despite the rhetoric to the contrary, hits our working poor particularly hard. Adequate and safe housing is a human right and should not be considered by this body as a privilege.

Left completely on its own, contrary to what the other side of the aisle would lead us to believe, the market has not and will not provide safe, sanitary, and affordable housing for all Americans. The market has a role, which I respect, and it plays its role well. But its role does not under all circumstances, represent the interests of all Americans, especially poor and low-income Americans.

As civilization and economies develop, certain basics of the material life—health care, education, food and shelter—should not be turned over completely to market forces, to a "survival of the fittest" situation. In such a system, the few always win up on top with the role, which I respect, and it plays its role well. But its role does not under all circumstances, represent the interests of all Americans, especially poor and low-income Americans.
The government of, by, and for the people has an important role to play in assuring that every American has safe, sanitary, and affordable housing. This is why we initially pushed public housing legislation in 1937, to provide affordable housing for all Americans—housing for those that the market did not serve. Public housing was later expanded to specifically include the poor, the elderly, and the disabled.

We should not treat housing like we do peanuts, soybeans, beer, and cars—commodities to be produced, distributed, and sold privately in the market place for profit. Need—the need for adequate and affordable housing, is the basis for the Government’s role in housing.

If the market addressed the need, then our dilemma would be of a different nature, but it hasn’t and it doesn’t. Thus, as representatives of all of the American people—not just those that can survive in a private, “survival of the fittest” housing market—we must assume our responsibility.

In the late 1960’s a White House Conference on Housing recommended 26 million new units of housing. Over the decade of the 1970’s, 6 million in public housing and government-assisted housing—2.6 million housing starts per year for 10 years, 600,000 in public or subsidized housing. We have never reached the 2.6 million annual goal. Thus, after two-and-one-half decades of failing to meet public housing needs of America’s people, there are 2 million more ill-housed than they were 25 years ago. And now some Members of this Congress want to remove the Government’s role in requiring that tenants not pay disproportionate portions of their income to provide their families with standard conditions.

Mr. Chairman, H.R. 2406 will deny many of our Nation’s neediest parents the opportunity to raise their children in a climate where their rental contributions do not preclude the provision of household essentials—clothing, medicine, food, and other necessities we take for granted.

As we consider this critical legislation, we must be mindful of some very dangerous implications implicit in this bill. First, we must maintain the 30 percent income cap imposed by the Brooke amendment of 1969 for all public housing and rental-assisted tenants, this including the poor and the working poor. Second, we must continue to target housing assistance primarily for our most vulnerable. Third, we cannot impose minimum rents without any kind of hardship exemption upon those without the resources to provide for their families—this includes protecting innocent children and the some 750,000 elderly who currently rely upon governmental assistance for their survival. And fourth, we must work to promote the housing needs of the residents themselves, in the development of the policies and procedures which govern their day to day lives.

Named for its sponsor, Senator Edward Brooke, the Brooke amendment was enacted into law in 1969 to guarantee that residents of public and assisted housing would pay no more than 25 percent of their income for rent. In 1981, the cap was lifted to 30 percent. The policies represented in H.R. 2406 are going in the exact opposite direction. By leaving the cap of the poorest of the poor—the below 30 percent median income and thus below the poverty line—as provided for in the managers amendment—and lifting the cap for those above 30 percent—H.R. 2406 essentially increases concentration of the poorest of Americans in public housing and abandons the working poor—allowing their rents to be lifted to compensate for dwindling federal support. The working poor will now be forced to disproportionately spend their meager take-home pay on rent at the expense of other household expenditures, including the poor, the elderly, and the disabled.

While the objective of mixed-income communities is a laudable one for many reasons, this legislation will further exacerbate the affordable housing gap existing in our Nation. Without adequate targeting, low– and very low-income Americans for assistance, this legislation will, in effect, drive the poor out of public and assisted housing, and into overcrowded and unsafe housing, or force people onto the streets.

Despite the reality that these provisions do not, on their own merit, adequately provide for affordable housing, to make matters worse, the 300 best-managed authorities will be completely exempted from rent caps and targeting protections.

Mr. Chairman, the overriding problem with this and past legislative efforts is that we never provide sufficient funding and resources to allow public housing residents to move beyond public housing. We must be about the business of providing job training and retraining, education, childcare, and true opportunity to public housing residents to move into private housing and private life. I encourage my colleagues to enact these kinds of empowerment initiatives to effectuate this kind of societal transformation.

Faced with dwindling Federal resources, owners of tenant-assisted housing and public housing authorities will be forced by market realities to prefer tenants who are better able to pay higher rents to make ends meet. After all, where does one go for housing if he or she is making $7,800 a year on average—which is the case for those living in public housing. In most communities, 30 percent of Area Median Income is roughly equivalent to the poverty line. According to HUD studies, it is these families that have the worst case housing needs—meaning that they are most likely to pay 50 percent or more of their income in rent each month or live in substandard housing. Over 70 percent—71.3 percent—of poor renter households living below the Federal poverty line pay more than 30 percent of their income for rent, whereas only 41 percent of all renter households have excessive rent burdens.

I oppose the idea of minimum rent for those who cannot afford it. HUD Secretary Henry Cisneros has already indicated that the recently implemented $25 minimum rents are already affecting the housing of 175,000 poor families in public and assisted housing nationwide. In Illinois, 2,338 families living in public housing; 1,377 households that receive certificates and vouchers; and 749 families living in section 8 housing; for a total of 4,464 families have already been negatively affected with the addition of the $25 minimum. These are people who are already straining to meet their families needs and who are already sometimes choosing between food, medicine, and housing.

H.R. 2406 contains minimum rents of up to $50. In my State of Illinois, that would mean an average yearly rental increase of $569, a 32-percent increase which would affect 19,100 public housing families. It would mean an average yearly increase of $584, or a 23-percent increase for the 5,100 elderly in Illinois.

It would mean an average yearly increase of $569 or a 19-percent increase for 1,100 disabled people. It also would mean an average yearly increase of $525, a 57-percent increase for 3,200 other poor families. Finally, a $50 increase for 9,700 families, a 38-percent increase for 9,700 families with children.

Mr. Chairman, the legacy of this Congress need not be enshrined in a nation which has made up on the least among us. I urge my colleagues to oppose this legislation if we do not rectify these serious issues before us.

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. WELLER], a member of the Subcommittee on Housing and Community Opportunity.

Mr. Weller asked and was given permission to revise and extend his remarks.

Mr. Weller. Mr. Chairman, I of course want to begin by commending the chairman of the subcommittee for his leadership and sincerity to bring about changes in bad policy and public housing. I also want to commend the gentleman from Massachusetts [Mr. Kennedy], the gentleman from Maryland [Mr. Weller] and the ranking Democrat who, as the gentleman from Maryland pointed out, though we sometimes disagree, we know he is sincere and appreciate that.

Mr. Chairman, when we look at public housing today, we want to look at it frankly and be honest about who suffers the most in public housing today, and that is the little children. It is the children who reside in public housing who are the victims of today’s current policy.

Fortunately, under Chairman Lazio’s leadership, we have legislation now before us which brings about real solutions. I grew up in the shadows of the Chicago Housing Authority, growing up in the suburbs in a rural area to the southwest of Chicago. On the nightly news we saw tragedy after tragedy that occurred as a result of current public housing policies.

Thousands if not millions of dollars bled from the system by politicians, lawyers, and consultants. Politicians wanting to keep people concentrated for political purposes in certain neighborhoods. And, of course, the State street corridor is the best example of a problem where we have 10,000 residents, miles long, one block wide, living in an area with 99 percent unemployment.

Mr. Chairman, current public housing policy is a failure. This legislation provides real hope and real opportunity to the people living in public housing—opportunities for homeownership, and also addresses the issue of section 8, an issue of great concern to the south suburbs.

There is real accountability and, of course, real reform in section 8 in this bill. One problem we have in the south suburbs is, we have seen a concentration of poverty moving from high-rise public housing projects to section 8.
residences, where 70 percent of all the section 8 users in Cooke County area are in the south suburbs.

Mr. Chairman, it is not fair to poor people because they do not have the opportunity to move up the economic ladder because there are no jobs in this area. This legislation directs HUD to come up with a solution that Congress can adopt.

Mr. Chairman, this legislation protects senior citizens. Current law requires rent equal to 30 percent of income, but this bill caps rent at no more than 30 percent of income and provides the opportunity for senior citizens to see their rent lowered. It is good legislation, it is real reform and provides hope and opportunity, looks out for the poor, and looks out for taxpayers. It is a good bill.

Mr. CHRYSLER of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, everybody agrees that the government cannot do everything. But some of us believe that in a civilized society the government, which is all of us, has the responsibility to make certain that every American enjoys a minimal level of decency. Yes; the government should make certain that no child goes hungry. Yes; the government should make certain that all children have access to education.

And yes; relevant to today’s debate, the government should make certain that all people can live in adequate and decent housing. Yes; we should be doing that.

Mr. Chairman, today throughout this country millions of working people are spending 40, 50, 60 percent of their limited incomes on housing. That means they have barely enough money to feed their families, put aside a few dollars for education or health care needs.

This legislation would simply add to that problem. There are elderly people today who spend 40, 50, 60 percent of their Social Security who should not be asked to pay 50 or 60 percent of their limited incomes on public housing. This legislation would allow that to happen.

There are millions of working people today who are earning $5 or $7 an hour. They are trying to improve the lives of their kids. They are trying to make it into the middle class. They should not be asked to pay 50 or 60 percent of their limited incomes for public housing, which means that what this legislation would allow to happen.

Mr. Chairman, we have a housing crisis in America today and this bill only takes a step backward.

Mr. LAZIO of New York. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan [Mr. CHRYSLER], a member of the Subcommittee on Housing and Community Opportunity.

Mr. CHRYSLER. Mr. Chairman, I rise today in support of the manager’s amendment to H.R. 2406, the U.S. Housing Opportunity Act of 1996. I would first like to thank Chairman Lazio for incorporating this bipartisan measure into the bill. I would also like to thank my colleague from Virginia, Mr. MORAN, for his dedication to this issue.

After hearing from neighborhood groups in Lansing, MI, and listening to their concerns and suggestions, I believe this provision will take another step forward in getting criminals out of Federal and federally assisted housing. This amendment contains the “One Strike and You’re Out” proposal incorporated into the recently enacted Housing Opportunity Program extension law. My amendment extends one strike to residents in federally assisted housing, permitting the eviction of tenants from Federal housing for criminal activity, including drug dealing and violent gang activities, whether or not the criminal activity is done on or off the premises.

This provision ensures that no activity engaged in by a tenant, member of the tenant’s household, guest, or other person under the tenant’s control, threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants in the immediate vicinity. This amendment will rightfully kick criminal tenants out of Federal housing, safeguarding the livelihood of law-abiding tenants.

With my amendment, local housing authorities and owners of federally assisted housing will be given the ability to require each adult member of a federally assisted household to provide the owner with written authorization to obtain their criminal records. Safeguards have been placed in the language to ensure that the information remains confidential, not misused or improperly disseminated, and destroyed upon completion of the application. We have included civil recourse and criminal penalties to be brought upon those who breach these agreements.

Our Federal dollars in housing assistance are too valuable and too scarce to go to criminals. The waiting list for housing assistance is getting longer and longer. We should not allow criminals the privilege of living in taxpayer-funded housing.

Mr. Chairman, most of these housing communities have playgrounds for children to play on, but because of drug dealing and gang violence, parents are too scared to allow their children to play outdoors. Residents are scared to leave their apartments in fear of getting caught in the crossfire. This is no way to live. This amendment, with the backing of HUD, goes forth in helping to make public housing safer. Families living in public housing should be able to feel safe in their homes and in their communities.

This bill accomplishes a great deal in making Federal and federally assisted housing a safer, more pleasant place to live. I commend Chairman Lazio for all of his hard work on this bill.

I encourage my colleagues to help make Federal housing and federally assisted housing safer by voting “yes” on the manager’s amendment, and voting “yes” on final passage of this legislation.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Chairman, we heard a few minutes ago a catalog of special interest groups who support this legislation. I am much more concerned with the people who oppose it. They are the people who are affected by public and subsidized housing across this country. There will be hundreds of thousands of them that will be affected by the provisions of this legislation, particularly that which abandons the Brooke amendment and also the basic principle of this legislation, which abandons something that has been very basic in our society now for almost 50 years: A commitment to decent housing to all Americans, no matter what their particular economic circumstances might be at any given moment.

The Brooke amendment specifically capped rents at 30 percent of a person’s income. The bill as it currently stands abandons that principle, although it will be corrected to some extent by the manager’s amendment, if the manager’s amendment is adopted in just a few moments. But even if the manager’s amendment is adopted, that correction, although partial and in response to pleas from the minority in this House and in conformance with an amendment that I introduced, will not deal with the problems of people who come into subsidized housing and public housing subsequently.

Over the course of the next several years, if this bill is adopted, 135,000 frail elderly people could be put out of their housing circumstances; 17,000 disabled people could be put out of their housing circumstances; they will suffer, their families will suffer. The children of the frail, elderly, grandparents will suffer and their grandchildren will suffer.

This is, Mr. Chairman, a very poor piece of legislation because it turns its back on those among us who are most needy and most deserving, people in their golden years who will be put out of their housing circumstances that they depend upon to hold their lives together.

This is a very bad bill. We should defeat this bill and protect that which was put here by a Republican Senator, Senator Brooke, passed by a Republican Senate, and signed into law by a Republican President, President Nixon. This is no time to turn our backs upon poor elderly people and people who are disabled.

Mr. LAZIO of New York. Mr. Chairman, would the Chair advise us of the time remaining on both sides?

Mr. CHRYSLER. The gentleman from New York [Mr. LAZIO] has 6 minutes remaining, and the gentleman from Massachusetts [Mr. KENNEDY] has 4 minutes remaining.
Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Let me just correct some misperceptions laying out here on the floor with respect to the so-called Brooke amendment, which is a job killer. There is a presumption here that, if we maintain the tie between salary and rent as a percentage, that that is fine for working people. The opposite is true. It is a job killer.

As the Federal Government continues to mandate the one-size-fits-all rule that every community in the country must follow, so that some person who is in an apartment, the day they go to work they immediately pay more rent, the day they go to work. Now, some people are suggesting that we take care of that by making Brooke a ceiling. In fact, the ceiling will become a floor, given the financial situation that many housing authorities are in right now.

So people will go, instead of knowing that they have to pay $25 for a particular unit, $50 for a particular unit, regardless of whether they go to work and make more money, they will do, under the suggestion by my friends from Massachusetts, they will go back in time to where we were before, which is a disincentive to work, where a person who wants to go to work has to pay this additional tax on employment. That is what we oppose, Mr. Chairman. That is why we urge adoption and support for this bill, which is a prowork, profamily, procommunity bill.

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

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK], the sponsor of the Brooke amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I sympathize with the gentleman from New York. He had an argument all set to make. There is no amendment to make it against. So he is going to make it anyway.

We agree that requiring housing authorities to set a minimum rent of 30 percent is a mistake. Let me be fair to a man I voted for a couple of times, Ed Brooke. Ed Brooke did not do that. Ronald Reagan did it and Gramm-Latta did it. The Brooke amendment was never a floor on rents. The Brooke amendment set a cap on rents, 25 percent. Ronald Reagan came along and said, no, no, 25 percent is too low; we will make it 30 percent, and we will make it both a floor and a ceiling.

Yes; if you say automatically that, if your income goes up, your rent goes up, there is some disincentive. Our amendment does away with that. We put a cap on of 30 percent but no minimum. And what does the gentleman from New York say? I am astonished that the cap amendment, which is a job killer, as the gentleman believes that the housing authorities will raise the rents as high as they legally can, he has got the problem, because at least the cap is a cap of 30 percent. The gentleman from New York on the one hand says take the cap off what housing authorities can charge working people. And then he says, because if you give them a cap, housing authorities will go up to this cap.

So he astoundingly argues that, if you put no limit on the housing authorities, they will charge people less rent presumably than if you limit them to 30 percent. As a matter of fact, it is the gentleman from New York's amendment which has an absolute disincentive to work in there. His manager's amendment is some manager's amendment. That is a manager's amendment that is more comprehensive than most bills. It does not say much for the future.

His manager's amendment says, if you are making less than 30 percent of the median, then your rent is capped at 30 percent. If you make more than 30 percent of the median income, you are subject to no cap. In other words, it is under the amendment of the gentleman from New York that those who work as opposed to those who are on welfare are legally disadvantaged. If you are on welfare and getting 30 percent of the median or less, your rent is capped at 30 percent. If you go to work, if you go off welfare and you are now making 50 or 60 percent of the median income, there is no protective cap.

So in the gentleman's effort to preserve the right of housing authorities to charge more money, he is the one who has created a disincentive. Let us be very clear about this. The amendment we will be offering will say, no, there is no minimum amount. The gentleman from New York says, no; but there will be a ceiling and they will go up to the ceiling, and the way to keep them from going up to the ceiling is to move the ceiling to the sky. It is illogical.

Mr. Chairman, let me close by summarizing. As someone has noted, if Congress truly wants to remove barriers that discouraging public housing residents from obtaining employment, the solution is to give housing authorities the ability to set rents below 30 percent in certain instances. Congress should not withhold operating subsidies from public housing authorities and try to balance the budget by reaching deeper into the pockets of our poorest people.

That is what Ed Brooke said. That is what Ed Brooke said today. Ed Brooke is as right today as a compassionate Republican, the endangered species, as he was 30 years ago.

Mr. LAZIO of New York. Mr. Chairman. I yield 2 minutes to the distinguished gentleman from Connecticut [Mr. SHAYS], a member of the Committee on the Budget.

Mr. SHAYS of Connecticut. Mr. Chairman, we have to take the context of this bill compared to what exists, not the fantasy of what we think exists. We go into public housing areas all around the country. They are in devastating shape.

One of the things that is most troubling, the most troubling thing is that we have basically warehoused the poorest of the poor in one particular area. And all in the name of doing God's work, all in the name of good.

I just hope and pray that others realize there is another side to the Brooke amendment, at least the ones that I am most interested in.

I want a family that truly wants to stay in public housing to stay in a little longer and not end up paying more than the market rent. Thirty percent of income can sometimes be more than what someone would logically pay for the kind of facility that they are living in. As the gentleman from New York that their next door neighbor may be a fireman or a policeman, may have a job, may be somebody that they really look up to and aspire to be like.

And I just hope and pray that in terms of this debate that we do not talk about the fantasy world of what we think exists but what truly exists.

I have spent 9 years now in this Chamber investigating the Department of HUD, both at the Federal level and on the local level. The area that concerns me the most is that we simply have got to have a mixture of income, again in public housing.

Mr. Chairman, I yield myself the balance of my time.

Let me close by reiterating that the reason why we oppose this bill has nothing to do with the reasons that my friend from Connecticut mentioned. Nobody wants to warehouse the poor. Nobody wants to prevent the Secretary of any administration from breaking up these large monstrosities. Nobody wants to.

But there are many changes that are contained, and I have complimented Mr. LAZIO on many of the provisions that are contained in this bill that allow the Secretary and allow greater flexibility by local housing authorities that is welcome.

The issues are two. The issues are, No. 1. The Brooke amendment, which in no way can be interpreted as preventing, as Mr. FRANK has rewritten it, to create some disincentive for work. The Brooke amendment as it stands creates a small disincentive for work, but the kinds of protections against the poor and against the elderly and against the disabled which are contained
Mr. LAZIO of New York. Mr. Chairman, I yield myself the balance of my time.

Nobody wants a situation of a State Street, of a New Orleans or a Detroit. I remember getting this small document from the Department of Housing and Urban Development about the 40 largest public housing authorities, places like Atlanta, Pittsburgh, Chicago, Detroit, New Orleans.

Mr. Chairman, if your child went to school and came back with the grades that these housing authorities have been coming back with for not 1 year or 2 years or 5 years but for 17 straight years, say, we would not let them waste our money in that school.

New Orleans scores 27 out of 100. Mr. Chairman, 27. Can you imagine if your child came back and said, I got a 27 on my test scores of 17 years? Atlanta, 49; Pittsburgh, 44 out of 100. What we have when we tolerate that failure year after year, when we sink hundreds of millions, in many cases billions of taxpayer dollars into housing authorities that are chronically mismanaged, chronically troubled and, in many cases, is the lowest 10 percent wages to Americans in those projects, we do not care about you. We do not care about the people living in that housing authority.

Mr. Chairman, we would rather protect the bureaucracy, we would rather ignore the reality, we would rather say that politics is better keeping it just the way it is so we can get past one last election.

This bill rejects that, Mr. Chairman. It is time that this body rejects that same mentality. We are saying that work ethic is important. We are saying, remove these disincentives to work. The Brooke amendment, Mr. Chairman, is a job killer. People do not want to pay 30 percent of their income in rent. They do not want to have a tax on employment. They want to have rent that is place-based. They want to be able to know when they go to a place that that rent is $15 a month, or $20 a month, or $25 a month regardless of whether they get a job, regardless of whether they have overtime and they make extra money, so that they do not get that penalty because one bureaucrat in Washington feels that one size fits all and everybody ought to be living under that same rule.

This bill begins the process of communities deciding their own fate. And what about vouchers? What is extreme about that? Is it extreme, Mr. Chairman, to give people the ability to use vouchers for home ownership so that poor people can make their own choices? Is it extreme to allow people in public housing developments to pull together and encourage entrepreneurship by allowing them to sell some of their services to residents in the area? I think not, Mr. Chairman.

I urge my colleagues to vote on this.

Mrs. COLLINS of Illinois. Mr. Chairman, anytime there is legislation underneath affecting housing, it gets my attention. The U.S. Housing Act (H.R. 2406) block grants Federal funding for public housing and income rental assistance. The bill repeals the Housing Act of 1937; eliminated caps on rent paid by seniors and working families; and eliminates targeted housing assistance.

The bill repeals the Brooke amendment which caps rent for tenants in public and assisted housing at 30 percent of income. Mr. Speaker, 41 percent of residents in public and assisted housing are seniors or are disabled, and the remainder are working families with children. We are talking about severe impacts upon poor, hard working families who are already paying too great of a percentage of their meager incomes for rent.

Repeal of the Brooke amendment will force more residents of the Seven District with the social and economic opportunities and incentives that will help build all our neighborhoods and communities.

It is of great concern to me that the needs and concerns of the residents of Chicago Housing Authority developments are attended to by HUD and by the Congress. I intend to work long and hard to facilitate effective communication among all parties involved in this important endeavor to make certain that they fully understand one another’s views.

To this end, I strongly support public housing enhancements. Not a kick in the teeth. I strongly support a strong commitment to fundamental renewal of our Nation’s public housing developments shown by both President Clinton and the Secretary of the Department of Housing and Urban Development (HUD), Henry Cisneros.

However, I am troubled that this same commitment is not embraced by my colleagues on the other side of the aisle. Instead, this bill smacks of negative, mean-spirited, insensitive determination to deny our Nation’s neediest citizens, decent affordable public housing.

In clear, plain English, let me state unequivocally that this Member of Congress, representing all citizens in the Seventh District, that I shall standfast in my determination to fight all efforts in the Congress to decimate affordable public housing in the United States, and will continue working with my colleagues to protect the interests of the undeserved in this regard.

It is outrageous that any Member of Congress would support attempts to balance the Federal budget on the very poorest Americans. I urge all my colleagues to reject H.R. 2406.

Mr. FRANKS of New Jersey. Mr. Chairman, today I rise in strong support of H.R. 2406, the United States Housing Act of 1996. Let me take this opportunity to congratulate Mr. LAZIO on his innovative effort to bring much needed reform to America’s byzantine public housing laws.

For too long, America’s public housing residents have been forced to live under a cumbersome system of rules that often fail to improve the living standards of our most vulnerable. They would rather see these Americans, the elderly, families, and children, out on the streets, in the subways, in the United States.
parks, homeless. Big tax cuts for their wealthy friends are fine, but ensuring affordable housing for the working poor is something our colleagues on the other side just can't abide.

This bill repeals the Brooke amendment. The Brooke amendment, for the past 25 years, has protected that the poorest Americans could be segregated away from healthy mixed income neighborhoods where opportunities for advancement are greater. This bill reneges on our Nation's promise that Americans who are most in need of housing assistance can afford to receive it.

These protections have provided a critical safety net for those in desperate need and have saved so many from homelessness and destitution.

Mr. Chairman, even with the current protections of the Brooke amendment homelessness and unacceptable living conditions continue to plague America. There are more than 5 million American renter households, not including the homeless, who have worst case housing needs, paying more than half of their income for rent in substandard housing, or in the most unfortunate cases, both.

This problem afflicts the elderly, working poor families, and others who strive to make ends meet on the minimum wage—a minimum wage, if I might add, which has not kept up with inflation, and has not been raised since 1991, because of staunch Republican opposition.

Securing safe, affordable housing for those who remain poor despite hard work, for children or for those who might be unable to make a living on their own due to health or other reasons, is crucial to the positive development of today's youth and families, the safety and well-being of our elderly, and for our Nation's communities as a whole.

I have many constituents who have contacted me about their fears of what this bill could mean to them. One constituent, who happens to be a quadriplegic, informed me that should the Brooke amendment be repealed, he surely would be out on the street, and I am further saddened to say that there are many more who would be put in the same situation.

We need to ensure that affordable housing remains available. It is the right thing to do and it is the smart thing to do.

Mr. Chairman, I urge the defeat of this very damaging bill.

Ms. MILLENDER-McDONALD. Mr. Chairman, first, I would like to thank Mr. KENNEDY of Massachusetts for allowing me the opportunity to speak on this important issue. In listening to the debate on this issue, it is clear to me that my colleagues in the majority truly believe in their views on this issue. To some extent, I would agree with the spirit of their views but not with the methods. In our efforts to reform public housing we must be careful not to hurt the very people that we are trying to help, the residents of public housing.

Under current law, the Brooke amendment was enacted in 1969 to protect the most vulnerable residents of public housing from paying too high a percentage of their income for rent. The amendment made public and assisted housing affordable for very low-income families. Typically, poor families who are not in public housing pay more than 30 percent of their income in rent. Currently, more than 5.3 million families, who are not in public or assisted housing, pay more than 50 percent of their income for rent. The limits set by the Brooke amendment have made public and assisted housing more affordable for very low-income families by preventing dramatic increases in rents.

Current law also addresses the earned income adjustments that allow public housing authorities to encourage work through more flexible rent structures. Further, rent ceilings allow public housing authorities to price units competitively with the market and allow retention for mixed occupancy. The Brooke amendment is a good amendment. It is sound public policy.

But let's talk turkey. H.R. 2406 repeals the Brooke amendment and hurts the people we are trying to help, by removing the limits placed on rent charges. This is dichotomous at best. We are going to remove the caps on rent and in the same breath deny them an increase in the minimum wage. That equates to a back hand and a forehead slap to the faces of the residents of public housing. I hear some of my colleagues say that they value home ownership and that residents of public housing will be allowed to purchase their units. Tell me: How will those residents be able to afford the mortgages on those units without being able to earn a decent livable wage.

Let's talk about this managers amendment. It seems to me that this amendment undermines itself. While it attempts to maintain the spirit of the Brooke amendment, it seeks to irregularly cap 30 percent of the income of local housing authorities over the next 3 years, for which the rent is capped and resident targeting would no longer apply. That provision would severely impact my constituency. I have nine, count them, nine public housing projects in my district. Ujima Village in the city of Compton happens to be one of the best run housing complexes this Congresswoman has ever seen. To blanket deregulate a housing authority for performing well is poor public policy. Mr. WATT's amendment is good public policy. Mr. MCMURRAN's amendment is good public policy. This bill removes the goal of providing decent affordable housing for our working poor. I urge my colleagues to oppose the manager's amendment and oppose this draconian, extreme bill.

Ms. COLLINS of Illinois. Mr. Chairman, I rise to express my concern about what I see this bill is being used for. It has become a vehicle for a major amendment to the Federal Property and Administrative Services Act of 1995. The act provides that property is being transferred to the Federal government for a major amendment to the Federal Property Act, review and approval of proposals by other affected agencies, such as Interior, Health and Human Services or Treasury, are required.

We must ask why nonprofit organizations are the only entities eligible for property under proposal? Surely local government entities with responsibilities for housing and the homeless should be able to become transferees, too.

Finally, we must anticipate that GSA may exercise its broad authority under this amendment by taking all surplus land out of title V availability while seeking a substitute transfer in the form of one of the amendment's alternatives.

Mr. Chairman, if this provision becomes part of the House-passed bill, I intend to take every opportunity I can to assure that both the substantive and technical deficiencies of this provision are carefully and fairly addressed by the committee of conference.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered under the 5-minute rule by title. The first two sections and the first two sections of the House-passed bill shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, and each title shall be considered read.

Before consideration of any other amendment, it shall be in order to consider the amendment printed in the designated place in the CONGRESSIONAL RECORD of May 7, 1996, if offered by the gentleman from New York [Mr. LAZIO] or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

During consideration of the bill for amendment, the chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD of May 7, 1996. Those amendments will be considered as read.

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

AMENDMENT OFFERED BY MR. LAZIO OF NEW YORK

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LAZIO of New York:

Page 14, line 4 and insert the following:

``(1) REQUIREMENT. Ð Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title II for, any person based on a pattern of use of a controlled substance or for occupancy in public housing assisted under this Act that provides—''

Page 14, line 10, after ``M INORS'' insert ``, or'' before the last period.

Page 22, strike line 8 and all that follows through page 23, line 2, and insert the following:

``(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person based on a pattern of use of a controlled substance, or (pattern of illegal use of) a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under this paragraph—''

(1) who the local housing and management authority determines is illegally using a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(3) OTHER SCREENING.—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

Page 22, line 4, strike ``(b)'' and insert ``(c)''.

Page 22, strike line 8 and all that follows through line 13, and insert the following: member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(a) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.—Any tenant or member of a tenant's family, including an assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the local housing and management authority that shall include a waiver of this subsection if the circumstances leading to eviction no longer exist.

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person based on a pattern of illegal use of a controlled substance; or

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under this paragraph—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines is illegally using a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

Page 15, line 1, after ``M INORS'' insert ``, or'' before the last period.

Page 22, strike line 8 and all that follows through page 23, line 2, and insert the following:

``(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person based on a pattern of use of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under this paragraph—''

(1) who the local housing and management authority determines is illegally using a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

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Page 15, line 1, after ``M INORS'' insert ``, or'' before the last period.

Page 22, strike line 8 and all that follows through page 23, line 2, and insert the following:

``(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person based on a pattern of use of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under this paragraph—''

(1) who the local housing and management authority determines is illegally using a controlled substance; or

(2) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

Page 15, line 1, after ``M INORS'' insert ``, or'' before the last period.
Page 37, after line 17, insert the following new section:

SEC. 109. REPORTING REQUIREMENTS.
(a) PERFORMANCE AND EVALUATION REPORT—The local and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report regarding the use of funds made available under this Act. The report of the local and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) REVIEW OF LHMA’S.—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(c) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 110. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 111. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 112. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 113. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 114. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 115. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.

SEC. 116. PERFORMANCE REQUIREMENTS.
(a) REQUIREMENT.—A local housing and management authority shall carry out its activities under this Act in a timely manner and in accordance with its local housing management plan.

(b) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require in such form and in accordance with such schedule as the Board may establish.
Page 50, strike line 4 and all that follows through page 54, line 5, and insert the following new subsection:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—
(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;
(B) vacancy reduction;
(C) addressing deferred maintenance needs and the replacement of dwelling equipment;
(D) management improvements;
(F) demolition and replacement under section 106, in amounts provided to the authority, but in any case no longer than 5 years.

Page 54, line 11, after "title III" insert a comma.

Page 54, strike lines 16 through 25 and insert the following:

(A) are on the same or contiguous sites;
(B) consist of more than 300 dwelling units;
(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;
(D) are owned or operated by public housing authorities for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revaluation, reduction or achievement of a broader range of household income; and
(E) have an estimate cost of continued operation or management of mixed-income developments.

Page 55, line 3, strike "formula" and insert "formulas".

Page 55, line 6, strike "incremental".

Page 55, strike line 7 and all that follows through "assistance on line 10".

Page 56, line 14, after "and" insert "take".

Page 58, line 10, strike "formula" and insert "formulas".

Page 58, line 12, strike "formula" and insert "formulas".

Page 58, strike line 15 and all that follows through line 22, and insert the following new subsection:

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional year if the Secretary makes a determination that the deadline is impractical.

Page 59, line 11, strike "BLOCK".

Page 59, line 13, strike "section 111" and insert "section 112".

Page 59, line 24, strike "a formula described in" and insert "the formulas described in paragraphs (1) and (2) of".

Page 60, lines 1 and 2, strike "formula" and insert "formulas".

Page 60, strike line 10 and all that follows through line 13, and insert the following:

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULAS.—The paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics of the families served and the characteristics of the families served and to be served (including the incomes of the families);
(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority; and
(C) the cost of constructing and rehabilitating property in the area; and
(D) the need of the local housing and management authority to carry out activities that provide public housing dwelling units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the characteristics of the families served and to be served), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;
(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and
(C) the need of the local housing and management authority to carry out anti-crime and anti-drug activities including providing adequate security for public housing residents.

Page 60, line 24, strike "(2)" and insert "(3)".

Page 60, line 25, strike "formula", and insert "formulas".

Page 61, line 4, strike "formula", and insert "formulas".

Page 61, line 6, strike "(3)" and insert "(4)".

Page 61, line 9, strike "formula", and insert "formulas".

Page 61, line 10, strike "(2)" and insert "(3)".

Page 61, line 10, after "costs" insert the following: "and other necessary costs (such costs necessary for the protection of persons and property)."

Page 62, after line 16, insert the following new subparagraph:

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

Page 63, after line 13, insert the following new subsection:

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority acquires units from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

Page 69, line 21, strike "25 percent" and insert "30 percent".

Page 69, line 23, strike the period insert the following: ": as determined by the Secretary, for small and large families. The Secretary shall establish income ceilings higher or lower than the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes."

Page 71, after line 11, insert the following new subsection:

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall implement policies described in the local housing management plan of the authority, establish policies...
providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) immediately be ineligible for admission to public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for one year under title I for each violation.

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

Page 71, line 22, strike the period and all that follows through page 74, line 20, and insert the following new subsection:

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

Page 76, strike line 2 and all that follows through page 77, line 14, and insert the following new section:

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES.

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions thereof) designated under this paragraph to any family who is lawfully residing in a dwelling unit in public housing and the family is awaiting an eligibility determination for the preceding year.

(2) EXCEPTIONS.—Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental amount established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of the minimum rent, and other situations as may be determined by the authority.

Page 82, line 14, before the semicolon, insert "on or off such premises".

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing management plan for the authority, and the authority shall take into consideration the following:

(1) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority that designates public housing as part of a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of its local housing management plan—

(1) establishes that the designation of the development is necessary;

(2) meets the housing goals for the jurisdiction under the comprehensive housing affordability strategy section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(b) to the meeting the needs of the low-income population of the jurisdiction; and

(c) includes a description of—

(1) the development (or portion of a development) to be designated;

(2) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended residents.

(c) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan containing a designation of a development pursuant to this section.

(d) EFFECTIVENESS.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(e) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation under section 108(b)(1)(B) any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(f) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a local housing and management authority may be considered to have submitted the information required under section 108(a) if the authority has submitted to the Secretary an application and allocation plan under section 8 of the Cranston-Gonzalez National Affordable Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(g) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that the information shall be considered for purposes of this section for the 5-year period beginning upon such approval.
(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to have vacated the housing unit if the owner is mowing the property for the purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development as public housing or because of the occupancy as provided under subsection (a) of this section.

(h) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 1001 of the Housing Opportunity Program Extension Act of 1996 (Public Law 104-120) may also be used for choice-based rental housing assistance under this title, including all local housing and management authorities to implement this section.

Page 89, after line 23, insert the following new subsection:

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

Page 89, line 24, strike “(b)” and insert “(c)”.

Page 90, strike lines 13 through 16 and insert the following:
dwellings, with such applicable

Page 90, lines 20 and 21, strike the period and insert “paragraph (1)”.

Page 90, strike “and” in line 12 and all that follows through line 16 and insert a period.

Page 92, strike lines 4 through 11, and insert the following:

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 170u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking “public and Indian housing agencies” and inserting “local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996”;

(ii) by striking “development assistance” and all that follows through the end and inserting “as provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs”;

(B) in subparagraph (B), by striking “managed by the public or Indian housing agency” and inserting “assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996”;

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking “public and Indian housing agencies” and inserting “local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996”;

(ii) by striking “development assistance” and all that follows through “section 14 of that Act” and inserting “assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs”;

(B) in section 13 of that Act and inserting “operated by the public or Indian housing agency” and inserting “assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996”.

Page 93, line 3, insert “on a regular basis” before the period.

Page 97, line 8, strike “is”.

Page 108, line 16, after the period insert the following: “In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as control agents or administrators with respect to financial assistance provided under this paragraph.”

Page 109, after line 17, insert the following new paragraph:

(g) TECHNICAL ASSISTANCE AND CLEANSING.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (e) to provide technical assistance, directly or by grant or contract, and to receive, collect, process, assemble, and disseminate information in connection with activities under this subsection.

Page 110, line 19, after the period the following:

An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

Page 111, line 5, after “sales” the following: “by purchasing units for resale to low-income families”.

Page 111, line 16, after the period insert the following:

In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall not use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

Page 113, line 9, after “propriate” insert “and” and “in another entity”.

Page 115, line 4, after the period insert the following new sentence:

Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

Page 127, line 12, insert “and” after the semicolon.

Page 127, line 21, strike “,”; and insert a period.

Page 127, strike line 22 and all that follows through page 128, line 2, and insert the following:

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act). The Secretary shall, after the period insert the following: “or to one or more other entities eligible for, and proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee”. Page 129, line 8, after “troubled” insert “or dysfunctional”.

Page 133, line 5, strike lines 4 and 5 and insert the following:

under this section $480,000,000 for each of fiscal years 1996, 1997, and 1998”.

Page 133, line 17, strike “1996” and insert “1998”.

Page 133, after line 17, insert the following new section:

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion plan and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development, which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority; and

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community.

(c) CASH ANALYSIS.—A cash analysis that demonstrates whether or not the cost (both on a present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(d) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is not more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(e) ELIGIBILITY.—The Secretary shall principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.
plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide rental, housing, or management assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) SAVINGS PROVISION.—This section does not apply to a contract or other arrangement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Page 135, line 18, strike “section 202(b)” and insert “section 202(d)”.

Page 136, strike line 5 and all that follows through line 7 and insert the following:

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) OPERATING FUND.—For the allocations from the operating fund for grants, $2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

Page 141, line 7, strike “(5)” and insert “(4)”.

Page 141, line 10, strike “(6)” and insert “(5)”.

Page 140, line 21, after “title” insert the following: “pursuant to the formula established by the Secretary”.

Page 141, lines 16 and 17, strike “section (c) and section 109” and insert “sections (b)(3) and (c), and section 112”.

Page 143, line 19, after “including” insert the following: “funding for the headquarters reserve fund under section 112;”.

Page 143, line 25, after “displacement” insert “from public or assisted housing”.

Page 144, line 9, strike “loan” and insert “portfolio”.

Page 148, line 22, strike “the Secretary” and strike all that follows through page 149, line 21, and insert the following: “the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority or any entity administering the agreement for a family receives all or part of the administrative fee under this section (as appropriate)”.

Page 152, after line 2, insert the following new subsection:

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 60 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes.

Page 152, line 3, strike “(b)” and insert “(c)”.

Page 152, line 18, strike “(c)” and insert “(d)”.

Page 153, strike line 11 and all that follows through line 25 on page 155, and insert the following new subsection:

(d) PORTABILITY OF HOUSING ASSISTANCE.—(1) PORTABILITY OF HOUSING ASSISTANCE.—An assisted family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may not authorize a family not residing within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the program to reside in a dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary through reimbursement from the other authority under that authority’s contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive assistance under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

Page 154, line 17, after “leases” insert the following:

(F) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

Page 156, line 15, after “policy” insert the following:

Any amount payable under paragraph (3) shall, consistent with the policies.

Page 156, lines 4 and 5, strike “and included in the lease for a dwelling unit”.

Page 156, strike lines 11 through 14 and insert the following:

(2) IMMEDIATELY BECOME INELIGIBLE FOR HOUSING ASSISTANCE UNDER THIS TITLE FOR ADMISSION TO PUBLIC HOUSING UNDER TITLE I—

(A) in the case of a termination due to drug-related criminal activity, for a period not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

Page 156, line 15, strike “(5)” and insert “(4)”.

Page 156, after line 24, insert the following new subsections:

(I) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(J) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for assistance and families under this title. Such information may exceed 10 percent of the family’s adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) whose income does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(2) EXCESS RENTAL AMOUNT.—In any case in which the monthly rental charged for a dwelling unit pursuant to the housing assistance contract exceeds the applicable payment standard (established under section 135) for the dwelling unit, the assisted family residing in the unit shall contribute in addition to the amount of the monthly rental contribution otherwise determined under paragraph (1) or (2) of this subsection for such family such entire excess rental amount.

Page 157, strike line 2 and all that follows through page 158, line 8, and insert the following new subsections:

(A) AMOUNT.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority may increase up to 10 percent of the family’s adjusted monthly income for any family who—

(1) is a family of not more than 2 persons; or

(2) whose income does not exceed 30 percent of the area median income; or

(B) whose income does not exceed 30 percent of the area median income and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary through reimbursement from the other authority under that authority’s contract.

Page 161, line 21, strike “section 329” and insert “section 328”.

Page 161, line 19, before the period, insert “on or off such premises”.

Page 163, strike lines 9 through 16 and insert the following new subsections:

(1) IN GENERAL.—A local housing and management authority may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is
owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations.

(b) Assurance.—(1) General.—To assure the termination or suspension of payment of housing assistance under a housing assistance payment contract in effect at the time such debarment or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (b), the authority shall take such actions as may be necessary to terminate any such assistance contracts with such assisted families who are affected by the action, which may include the provision of additional assistance under such contracts.

Page 163, strike line 23 and all that follows through page 164, line 2.

Page 164, line 8, before the period insert “and any applicable law.”

Page 165, line 17, strike “subsection (b)” and insert “subsection (c).”

Page 166, strike lines 9 through 22 and insert the following new paragraph:

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period requested by the Secretary, subject landlord or landlord to the local housing and management authority. The authority in the meeting of the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

Page 167, line 14, strike “The authority” and all that follows through line 19 and insert the following new sentence: “The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.”

Page 168, line 18, before “income” insert “sufficient.”

Page 169, line 18, after “dwelling units” insert “the (‘other than public housing’).”

Page 170, line 22, strike “or the owner.”

Page 171, strike line 15 and all that follows through page 172, line 11, and insert the following new section:

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1); or

(2) in the case only of families described in paragraph (1), the amount by which such payment standard exceeds the lesser of (i) the resident contribution determined in accordance with section 322(a)(1), or (ii) by the amount of the family’s adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCHewing INCENTIVE SAVINGS.—The amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments shall determine the amount of such assistance in a fiscal year shall be refunded from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family described in paragraph (1), the term “gross rent” shall mean the homeownership costs to the family as determined in accordance with guidelines issued by the Secretary.

Page 173, line 3, strike “large.”

Page 173, strike “For purposes” in line 15 and all that follows through line 19.

Page 174, line 5, after “unit” insert “(with respect to initial contract rents and any rent revisions).”

Page 179, line 25, strike “section 110” and insert “section 111.”

Page 182, line 17, strike “2” and insert “at least 2, but not more than 4.”

Page 183, after line 13, insert the following new subsection:

( E ) At least 1 individual who has extensive experience in auditing participants in government programs.

Page 186, after line 2, insert the following new paragraph:

(3) IMPROVEMENT OF INDEPENDENT AUDITS.—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 322 and, to the extent provided in such section, providing for the conducting of such audits.

Page 186, line 3, strike “(3)” and insert “(4).”

Page 186, strike lines 6 through 8 and insert the following grants:

Section 112 for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 322 and, to the extent provided in such section, providing for the conducting of such audits.

Page 186, line 12, strike “(4)” and insert “(5).”

Page 187, after line 13, insert the following new subsection:

(C) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11068 (42 U.S.C. 3531) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to housing management.

(2) Establishing performance standards and guidelines for such assistance. Such assistance may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

Page 188, after line 22, insert the following new paragraph:

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

Page 189, line 4 and 5, strike “research or surveys” and insert “evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys.”

Page 189, line 6, before the period insert the following: “,” and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title.”

Page 190, line 5, strike “and” and insert “a comprehensive.”

Page 190, line 6, before the period insert “,” and conducting audits of authorities under section 432.”

Page 190, after line 13, insert the following new subsection:

(4) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by or should be performed by the Board, and those that should continue to be performed by the Department.

Page 190, line 14, before “The” insert “(b) ANNUAL REPORTS.”

Page 190, after line 23, insert the following new section:

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General and representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Page 196, strike line 10 and all that follows through page 198, line 25, and insert the following new section:

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) REQUIREMENT.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that
the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) L H M A PROVIDES FOR AUDIT.—If neither the section 8, the Secret Service or the Department shall conduct an audit under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary shall require that the audits be conducted pursuant to guidelines set forth by the Department.

(2) S E C R E T A R Y R E Q U E S T S B O A R D T O P R O V I D E F O R A U D I T .—If the Secretary may request the Board to conduct an audit with an auditor to have the audit conducted for the authority.

(3) B O A R D P R O V I D E S F O R A U D I T .—The Board may notify the Secretary that it will conduct an audit with an auditor to have the audit conducted for the authority.

(4) OTHER AUDITS.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(5) SUBMISSION OF AUDITS.—(A) REQUIREMENT.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(B) SUBMISSION TO LOCAL OFFICIALS.—(1) L H M A PROVIDE FOR AUDIT.—If the local housing and management authority is required to conduct an audit under this Act, it shall provide the audit results to the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) TIMING.—An audit shall be submitted to local officials as provided in subparagraph (A).

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority is subject to the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 40 days after the audit is received by the authority.

(D) PROCEDURES.—The requirements for financial and performance audits under this Act shall be set forth by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development:

(1) requirements for evaluating and management authorities; and

(2) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(E) PURPOSE.—Audits under this section shall be conducted:

(1) to determine the financial performance and soundness and management performance of the local housing and management authority and the authority mortgage bank (or other similar governing body) and the authority management officials and staff;

(2) to assess the compliance of an authority with all aspects of the standards and guidelines established under section 434(a)(1); and

(3) to determine whether a review under subsection 225(d) or 335(c) is required; and

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section (d) of the requirements for audits under such chapter, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from the requirements and procedures set forth in this Act. Audits under this section shall not be subject to the requirements and procedures set forth in such Act.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—(1) L H M A RESPONSIBLE FOR AUDIT.—If the local housing and management authority has an audit under this Act, the authority shall be responsible for conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting records necessary to place the authority's books and records in condition that permits an audit); or

(2) Board responsible for audit.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph 3(1) or (2) of this subsection, the Secretary shall:

(A) withhold amounts pursuant to paragraph (2) of this subsection.

(B) transfer such amounts to the Board.

Page 201, line 13, strike “impose” and insert “require” or “functions”.

Page 201, line 2, strike “to prepare”.

Page 201, line 13, after “housing” insert “or functions”.

Page 201, line 18, strike the “expiring” and all that follows through “437(b)(2)” on line 19, and insert the following paragraph:

(1) when taking into account the action authorized under subsection (b)(2) or (b)(5) of section 438.
(B) In the case of—
   (i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the application of such standard pursuant to section 8(c) of such Act for the area in which the unit is located; or
   (ii) units assisted under an interest reduction or a similar rental assistance under the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(2) In the case of an entity that becomes available to a local housing and management authority under section 368(a)(8) of the Housing and Community Development Act of 1991 (42 U.S.C. 3588(a)(8)) of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

Page 231, line 24, after the period insert the following new sentence: "The term 'hazard' means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) ensuring that the dwelling is safe and not in need of deterioration as to the dwelling and property.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida B. Johnson Housing Development and Rehabilitation Act of 1996 (20 U.S.C. 2355 et seq.) and the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f et seq.) and the Consolidated Community Development Act of 2000 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "The term 'hazard' means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) ensuring that the dwelling is safe and not in need of deterioration as to the dwelling and property.

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(2) Before any such transfer is made, the Administrator shall submit such transfer to the appropriate committees of Congress for approval and each such transfer shall not be effective unless approved by such committee."

SEC. 507. RURAL HOUSING ASSISTANCE.

The Inheritance Tax Act of 1994 (20 U.S.C. 2050a(8)) is amended by striking the second sentence of the second section of this paragraph.

(b) PUBLIC SERVICES LIMITATION.—Section 507(a)(8) of the Housing and Community Development Act of 1991 (42 U.S.C. 5302(a)(8)) is amended by striking "through 1997" and inserting "through 1998".
(A) by striking “income ceilings higher or lower” and inserting “an income ceiling higher”; (B) by striking “variations are” and inserting “variations may be” and (C) by striking “high or.”

(3) RENT LIMITS.—In section 215(a)(2)(A) of the United States Housing Act of 1937, as amended by section 202(c) of the Section 236 Program, (A) by deleting “income ceilings higher or lower” and inserting “an income ceiling higher”;

(B) by striking “variations are” and inserting “variations may be” and (C) by striking “high or.”

(4) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)), and the Balanced Budget and Emergency Deficit Control Act of 1985 (42 U.S.C. 2656a(a)(20)).

II) is amended—

(1) in paragraphs (A) and (B) of section 102(a)(20)(B), (ii) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish a percentage of 80 percent of median income for any area that is higher or lower than 50 percent if the Secretary finds such variation to be necessary because of unusually high or low family incomes in such area, and

(iii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher or lower than 80 percent if the Secretary finds such variation to be necessary because of unusually high or low family incomes in such area.

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715v–1) (as amended by section 236(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, and by section 228(a) of the Balanced Budget and Emergency Deficit Control Act of 1985) is amended—

(1) in the second sentence, by striking “the lower of (i)”;

(2) in the second sentence, by striking “(ii)” the fair market rental established under section 236(f) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in unassisted housing in the market area in which the housing assisted under this section is located.”;

and

(3) by inserting after the second sentence the following new subparagraph:

“the Secretary may propose.

(1) C O N S U L T A T I O N W I T H L H M A A N D F A M I L Y R E S I D E N T S.—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and to participate in a detailed evaluation.

(2) S E L E C T I O N C R I T E R I A .—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and to participate in a detailed evaluation.

(3) USE OF HOUSING ASSISTANCE.—Under the demonstration, the Secretary in consulta-

tion with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such demonstration projects selected by the Secretary, which may include replicable program models promoting the purpose of the demonstration.

(4) USE OF HOUSING ASSISTANCE.—Under the demonstration, the Secretary may propose.

(5) A P P L I C A B I L I T Y O F C E R T A I N P R O V I S I O N S.—Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(6) EFFECT ON PROGRAM ALLOCATIONS.—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) K E E P I N G O F R E C O R D S .—Each authority under this section shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, ensure compliance with the requirements of this section, and to measure performance.

(2) R E P O R T S .—Each authority under this section shall submit to the Secretary in a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) A C C E S S TO D O C U M E N T S B Y T H E S E C R E T A R Y .—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with this Act and the requirements of this section, and the requirements thereof.

(4) A C C E S S TO D O C U M E N T S B Y T H E C O M P T R O L L E R G E N E R A L.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with this Act and the requirements of this section, and the requirements thereof.

(h) E V A L U A T I O N A N D R E P O R T .—

(1) C O N S U L T A T I O N W I T H L H M A A N D F A M I L Y R E S I D E N T S.—In selecting among applications, the Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with this Act and the requirements thereof.

(2) R E P O R T T O C O N G R E S S .—Not later than 180 days after the end of the third year of the
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CONGRESSIONAL RECORD – HOUSE

SECTION 514. OCCUPANCY SCREENING AND EVICTION PROVISIONS FOR FEDERALLY ASSISTED HOUSING.

(a) OCCUPANCY SCREENING. – Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)–

(1) by inserting “(a) GENERAL CRITERIA.–” before “In”;

and 

(2) by adding at the end the following new subsection:

“(b) AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant’s household is or was, during the preceding 3 years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

“(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy; and

“(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the owner shall by regulation provide) to ensure that the individual or individuals in the applicant’s household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

(c) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant’s household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 640(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

(d) DEFINITION.—For purposes of paragraphs (a) and (b), ‘‘federally assisted housing’’ has the meaning given the term by this section, except that the term does not include housing that only meets the requirement described in §621(b)(1).

(2) TERMINATION OF TENANCY.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

“SEC. 645. TERMINATION OF TENANCY.

“Each lease for a dwelling unit in federally assisted housing which term is defined in section 642(d)(1) shall provide that

“(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

“(2) any activity, engaged in by the tenant, any member of the tenant’s household, or any guest or other person under the tenant’s control, that—

“(A) threatens the health or safety of, or right of privacy of, other tenants or employees of the owner or other manager of the housing;

“(B) threatens the health or safety of, or right of privacy of, any persons residing in the immediate vicinity of the premises, or

“(C) is criminal activity (including drug-related criminal activity) on or off the premises, shall be cause for termination of tenancy.

“PROVISION OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding after section 645 (as added by section 4 of this Act) the following new section:

“SEC. 646. AVAILABILITY OF RECORDS.

“(a) IN GENERAL.—

“(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing or for purposes of applicant screening, lease enforcement, and eviction, only if the owner requests such information and presents to such Center, department, or agency with a written authorization, a signed, by such applicant for, the release of such information to such owner.

“(2) EXCEPTION.—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not convicted, unless such conviction is not subject to the laws of the convicting jurisdiction.

“(b) CONFIDENTIALITY.—An owner receiving information under this section may use such information only for the purposes provided for in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, for such purpose, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

“(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

“(d) FEE.—An owner of federally assisted housing may charge a reasonable fee for information provided under this section.

“(e) RECORDS MANAGEMENT.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is

“(1) maintained confidentially;

“(2) not misused or improperly disseminated; and

“(3) destroyed, once the purpose for which the record was requested has been accomplished.

“(f) PENALTY.—Any person who knowingly and wilfully makes false statements, in any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section, shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $5,000.

“(g) Civil Action.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about someone other than the owner or employee of any other person who discloses the information, or (2) any other negligent or knowing act that is inconsistent with this section, may bring a civil action for damages and such other relief as the court may deem appropriate against any other responsible for such unauthorized action.

“TENANT SCREENING AND EVICTION. — The district court of the United States in the district in which the affected applicant or resident resides, or another United States district court that may be appropriate against any owner or any Federal, State, or tribal law.

“(2) FEDERALLY ASSISTED HOUSING.—The term ‘federally assisted housing’ has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 664 (as added by section 4 of this Act).

“(d) DEFINITIONS.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

“(1) in paragraph (2), by striking “section 3 of the United States Housing Act of 1937” and inserting “section 102 of the United States Housing Act of 1966”;

“(2) in paragraph (4), by striking public housing agency and inserting local housing and management authority; and

“(3) by adding at the end the following new subparagraph:

“(H) DRUG-RELATED CRIMINAL ACTIVITY.—The term ‘drug-related criminal activity’ means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act),

“TITLES VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SECTION 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the ‘‘Commission’’).

SECTION 602. MEMBERSHIP.

The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

“(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

“(2) 3 members to be appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee...
SEC. 604. FUNCTIONS.

(a) Information.The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) Rules and Regulations.The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) Assistance from Federal Agencies.(1) Upon request from any department or agency of the United States, and such department or agency may provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107; and

(B) contracts under section 302 for assistance to eligible persons under title 5.

(2) Administrative Support.The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) Personnel Details and Technical Assistance.Upon the request of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(f) Contracting.The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) Staff.(1) Executive Director.The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) Personnel.In addition to the executive director, the Commission may appoint and fix the compensation for such personnel as it determines to be advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(h) Advisory Committee.The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).
May 8, 1996

Mr. LAZIO of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. MORAN], who has been exceptionally important, a great advocate for people in need in public assisted housing.

Mr. MORAN. Mr. Chairman, I yield to the gentleman from New York very much for including my bill in the manager's amendment.

We call it "one strike and you are out, part two," because what it does is to exempt provisions that were cast earlier and President Clinton signed into law with a great deal of support from the White House to enable us to evict drug and alcohol abusers and those that are engaged in criminal activity from all types of federally subsidized housing.

Fot too long, drug dealers and other criminals have found a haven in low-income housing projects, and although the 1990 act makes some progress in the public housing area, it did not apply to all subsidized housing. This manager's amendment closes the most egregious loophole in public housing. It grants public housing authorities and private owners of Section 8 properties new powers to screen and evict problem tenants.

As my colleagues know, there are 1.4 million public housing units, while there are 2.1 million section 8 publicly assisted housing units, and the fact is that residents of project 8, section 8 and FHA-insured multifamily housing have virtually no protection from drug dealers that live next door and threaten their health and safety on a daily basis. They deserve equal protection under the law.

Mr. Chairman, what we are going to do with this legislation is to see to it that drug dealers will be subject to eviction from public housing whenever they deal their drugs and wherever they deal their drugs, but it will also enable section 8 managers to effectively screen prospective tenants before those tenants are involved in drug dealing or criminal activity. It is a lot easier if we can keep them out of subsidized housing than waiting until they commit crimes.

Section 8 managers will be able to conduct criminal background checks and match an applicant's name against information from the National Crime Information Center.

We have got a long waiting list of people that deserve subsidized housing and very much need it. We cannot afford to be giving housing units to people who terrorize their neighbors. This manager's amendment will put an end to that practice.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to the manager's amendment.

Mr. Chairman, I yield to the manager's amendment, and there are a number of provisions within it that I would support. I do believe, however, there are provisions that are contained in the amendment which simply are wholesale changes in existing law which I was unaware were even included in this as of 9 o'clock last evening. Those range from an exemption to the Brooke amendment for over 300 public housing authorities, including the specifically mentioned, for some reason, which the gentleman from New York [Mr. NADLER] has informed me from New York City that the mayor of New York [Mr. FRANK] which would maintain the Brooke amendment as it is currently constituted into current law, regardless of whether or not the Frank of Massachusetts amendment passes.

This would exempt 300 public housing authorities that meet certain criteria that I do not know. Those public housing authorities would be able to wholesale throw out tremendous numbers of poor people simply because they have attained some standard by which the gentleman from New York [Mr. LAZIO] believes means they are doing a good job.

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, as I understand the manager's amendment, which we did not get much time to look at, instead did we go to the excellent outcome of our amendment, the manager's amendment does two things. First of all, it does a revised version of the Brooke amendment, and then it exempts people from its own revised version. So the amendment, in fact, contains both the revision and an exemption from its own revision as I understand.

Mr. KENNEDY of Massachusetts. Mr. Chairman, it is always good to have the gentleman from Massachusetts around to give us a lecture. But the truth of the matter is that, in addition to the Brooke amendment changes that I think are very detrimental to the vulnerable people, and particularly to the working poor of this country, the bill also contains some kind of self-sufficiency contract which I have come to know as the PIP, the personal improvement program.

Now, that personal improvement plan is evidenced to be failed by every resident of public housing to be then; I guess maybe the gentleman from New York [Mr. LAZIO] is going to review each one of these PIP's, and once those PIP's are reviewed and they pass, then I guess Mr. LAZIO has in mind, then we are going to determine whether or not the individual in public housing has actually achieved the goals that they have set out. If they have not achieved those goals, then they can be thrown out of public housing.

Mr. Chairman, I have not heard anything so patently ridiculous in all the years that I have served in the Congress of the United States. What are we doing? We are turning ourselves into some sort of big-brother organization which determines whether or not, and I would like to see every Member of this House submit a PIP or not they could adhere to all the standards that we set for ourselves, I would like to see every member of the Housing Committee set those standards for themselves, before we start asking people in public housing to set those standards.

Third, there is some provision that got in here. Evidently somebody in the Congress has a particular interest in some GSA surplus property. Evidently that particular individual is concerned about having homeless people come next door because of a provision which says that when there is excess GSA property, that should go to homeless people. I am outraged that those kinds of provisions are stuck into a manager's amendment, never discussed with me. As I understand the way the manager's amendment is supposed to work, is these are supposed to be technical and conforming changes that the two of us negotiate and agree upon that create a consensus as to where we can improve the bill. That was not done in this case.

And I recognize that the gentleman from New York [Mr. LAZIO] has had a very difficult job, and I once again want to compliment him on a number of provisions that are contained in this bill. I say to the gentleman, Rick, there are many provisions that I think are important changes that give us local housing authorities the kind of flexibility that both of us believe that they need in order to get rid of some of these terrible housing projects and to allow the Secretary to get rid of very badly run public housing authorities. But we go too far in eliminating Brooke, we go too far in vouchering out, we go too far in these PIP programs, and we go too far in providing for individual Member of Congress' own backyard.

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

Mr. LAZIO of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I know we all want the same things, but we all have not done the same things to help people who are the poorest of the poor who are living in public housing. It was not this majority that imposed the one-for-one requirement which said that we cannot demolish the most dilapidated buildings in public housing, and we force
communities to live in the shadows of crime, many cases crime-ridden structures with broken windows that are falling apart. It was not this majority who said frankly that there should be no home ownership opportunities for people who have vouchers, but we are beginning the process of moving in the other direction, and this amendment does it.

Mr. Chairman, there cannot be any larger philosophical divide between the gentleman from Virginia and the other side of the aisle than the self-sufficiency contract.

In our amendment, Mr. Chairman, we say that somebody who enters into a contract with those people who are supervising that housing authority. Now, that may, in fact, be a not-for-profit, it may be for a for-profit, but we say the tenant enters into a contract which says these are the things that I will do to transition myself back into the marketplace, these are the things that I will take advantage of, be it worker training or educational opportunities.

We can no longer say that it is a one-way street, that we are going to give people the opportunity to live in public assisted housing and expect them to do nothing in return, including improving their own lot when there are opportunities for that to happen.

This is not punitive, and, in fact, there is an escape valve here to say if someone has changed circumstances, contract and we say the gentleman would say, that that would be taken into consideration. Nobody would be thrown out because of this, but it begins the process of having people think about what they need to do to transition back into the marketplace.

We create a number of home ownership opportunities in this legislation, Mr. Chairman, including the possibility that a resident in public housing can purchase their own unit. Yes, we give that person the opportunity to do that.

We value home ownership.

PARLIAMENTARY INQUIRY

Mr. KENNEDY of Massachusetts. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I understood that we had 5 minutes per side. When I heard the gentleman from Virginia [Mr. MORAN], I just assumed that we have gone over well over, the 5-minute allocation if we take into account Mr. MORAN.

The CHAIRMAN. The gentleman from Virginia utilized 2 minutes. There were 3 minutes remaining. The gentleman from New York is utilizing his 3 minutes at this point.

Mr. KENNEDY of Massachusetts. I hope the gentleman is as generous with the 3 minutes with our side.

The CHAIRMAN. All indications are that they are being totally fair.

Mr. LAZIO of New York. In this amendment Mr. Chairman, we protect seniors, we protect the disabled, we protect the poorest of the poor, and we remove the job-killing Brooke amendment. We allow an out for minimum rents for people who have hardship exemptions, but we believe that everybody should pay something, whether it is $25 or $30 a month.

We target our resources so that people who use vouchers, half of all the people who use vouchers, will be people who make under 60 percent of median income, again the poorest of the poor. We say that a majority of the units in public housing must go to people who have incomes below 30 percent of median income. Again, we insure that there are units for the poorest of the poor, but we also say, Mr. Chairman, that we need to create an environment of hope with role models where people can transition back to the marketplace where they can make their own choices for housing.

I ask for support for this amendment.

Mr. Chairman, there cannot be any larger philosophical divide between the gentleman from New York [Mr. LAZIO].

The amendment was agreed to.

The CHAIRMAN. The Clerk will designate section 1.

The text of section 1 is as follows:

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE. Ð This Act may be cited as the ÒUnited States Housing Act of 1996Ó.

(b) TABLE OF CONTENTS. Ð The table of contents for this Act is as follows:

Title I Ð General Provisions
Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income.
Sec. 105. Limitation on admission of drug or alcohol abusers to assisted housing.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Pet ownership.
Sec. 110. Administrative grievance procedures.
Sec. 111. Headquarters reserve fund.
Sec. 112. Labor standards.
Sec. 113. Nondiscrimination.
Sec. 114. Effective date and regulations.

Title II Ð Public Housing

Subtitle A Ð Block Grants
Sec. 201. Block grant contracts.
Sec. 202. Block grant authority and amount.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of block grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B Ð Admissions and Occupancy Requirements
Sec. 211. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.

Title III Ð Choice-Based Rental Housing and Homeownership Assistance for Low- Income Families

Subtitle A Ð Allocation
Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
Sec. 303. Eligibility of LHMA's for assistance amounts.
Sec. 304. Allocation of amounts.
Sec. 305. Administrative fees.
Sec. 306. Authorizations of appropriations.
Sec. 307. Conversion of section 8 assistance.

Subtitle B Ð Choice-Based Housing Assistance for Eligible Families
Sec. 311. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 358. Eligible dwelling units.
Sec. 392. Homeownership options.

Subtitle C Ð Payment of Housing Assistance on Behalf of Assisted Families
Sec. 361. Housing assistance payments contracts.
Sec. 362. Amount of monthly assistance payment.
Sec. 363. Payment standards.
Sec. 364. Reasonable rents.
Sec. 365. Prohibition of assistance for vacant rental units.

Subtitle D Ð General and Miscellaneous Provisions
Sec. 372. Definitions.
Sec. 371. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

Title IV Ð Accreditation and Oversight of Local Housing and Management Authorities

Subtitle A Ð Housing Foundation and Accreditation Board
Sec. 401. Establishment.
Sec. 402. Membership.
The CHAIRMAN. Are there any amendments to section 2?

AMENDMENT NO. 43 OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 43 offered by Mr. WATT of North Carolina: Page 5, strike line 20 and all following new paragraphs.

Pedro J. Gallego, Jr.

Mr. WATT of North Carolina. Mr. Chairman, I want to try to frame what this debate is about through the process of this amendment.

Mr. Chairman, I was interested in the characterization of the chairman of the subcommittee from New York [Mr. Lazio], made about this bill being a dramatic change in housing policy in this country. I want to make sure that my colleagues understand just how dramatic that change is. I want to spend a minute or two talking about the historical housing policy of this country.

Mr. Chairman, the Housing Act that we are repealing under this bill today is the Housing Act of 1937. It started with a policy which says that it will be our policy as a government to try to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of lower income. That statement of Federal housing policy was changed in 1949, almost 50 years ago.

In 1949, the housing policy was changed to state that it would be the policy of our Government to try to assure the maximum number of families possible of the goal of a decent home and a suitable living environment for every American family. From that goal statement has come the term that has controlled the Federal housing policy of our country that the Chairman of the Federal Government for housing should be. This is what the bill says in the very beginning of the bill: “The Federal Government cannot, through its direct action or involvement, provide for the housing of every American citizen, or even a majority of its citizens;” a dramatic departure, a dramatic departure from the goal of providing decent and affordable housing for every American citizen.

When we talk about this being a dramatic change in policy, it says it from the very beginning of this bill, it is a dramatic change in policy, because we are conceding as a Nation that no longer will we even have a goal providing decent housing for our citizens. The bill itself says we do not even have that as a goal anymore.

My amendment, Mr. Chairman, simply changes that policy statement. It does not do anything to the substance of the bill, but it is an abomination. We should be ashamed of ourselves as a Congress to say to the American people that we are abandoning the goal, the dream of providing decent and affordable housing to every American citizen in our country.

Mr. Chairman, if my colleagues are willing to support that, what it says to me is that they are the extreme that everybody has worried about. They are defining as a policy, do anything that is okay. Mr. Chairman, this is serious, serious business, because we are about making a major reversal in the goals and objectives and desires of our Nation.

Mr. Chairman, I ask my colleagues to support this simple amendment. It simply restores the objective in this bill.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. WATT] has expired.

By unanimous consent, Mr. WATT of North Carolina was allowed to proceed for 30 additional seconds.

Mr. WATT of North Carolina. Mr. Chairman, it simply says our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods, a simple goal statement.

Mr. Chairman, that is what this Government should be about. Please support this simple amendment.

Mr. LAZIO of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman just mentioned that we ought to be ashamed. He is right. So it is a goal that we ought to be ashamed. We ought to be ashamed of tolerating this failure, not for the last year or two, but for 20 years. That is something to be ashamed of.

Mr. Chairman, this is the state of public housing in this Nation. Are we proud of that, or is that something we are ashamed of? This body under the last majority did nothing about it.
They did not take this building down. It could not even take this building down, because the last majority said you cannot take this building down because of the fact that you have no money, unless you build another one in its place. These are buildings. So this hulk has scarred this neighborhood for years in New Orleans. This is New Orleans. The one I was referring to, they received a 27 score out of 100, the bottom of the barrel of the top 40 housing authorities of the Nation. That is the failure we have been tolerating.

Part of the reason we have been tolerating that is because we have deluded ourselves that this is somehow compassionate. Is that compassionate, I ask the Chairman? Is that compassionate? I would say, Mr. Chairman, it is compassionate when we begin to form partnerships, when people in communities understand what is going on; not when HUD comes in and throws a couple million or a couple million and a half here or there or here and there, we have done something important.

They have not done something important, Mr. Chairman, when they have not addressed issues like the other problems. The neighborhood has including economic development and job creation, having mixed incomes, ensuring that you have an environment where people can transition back into the marketplace. This is what we ought to be ashamed of, not the language that is in this bill, that we ought to be proud of.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. Chairman, I want to deal with the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I want the gentleman to explain to me, if this is the kind of housing that we have with a goal of providing decent and affordable housing, what kind of housing does the gentleman think we will have if we have no goal, and we do not even have a policy statement on the issue?

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, under this bill we will not have buildings and hulks like that in neighborhoods anymore, scarifying our communities. They will come down, and the people in those places that we purport to have compassion for will be given vouchers so they can make choices on their own and move to a decent place, so children can be raised in a decent place, not being raised in an area where children cannot play. There is nowhere for them to play. That is how certain people in this Chamber measure compassion. I reject that, and this bill rejects that.

Mr. WATT of North Carolina. If the gentleman will continue to yield, I would ask the gentleman, is my statement of purposes and goal as an American inconsistent with what you are saying? Why would the gentleman not incorporate my amendment into his manager’s amendment as a statement of goal?

Mr. LAZIO of New York. Reclaiming my time, Mr. Chairman, I would first of all not suggest that the gentleman in any of his ideas or opinions on the floor of this House, who I have a great deal of respect for, is un-American in any way. I want to make that clear.

Second of all, I respectfully disagree with some of the rhetoric we have heard from the other side. We have heard that we cannot revert back to a good environment, their children cannot be raised in an environment where they can get a good quality of education and get a good job.

Mr. WATT of North Carolina. Mr. Chairman, if the gentleman will continue to yield, I see no statement of that objective in this bill anywhere. Mr. Chairman. When the gentleman says that the Federal Government will not provide not every American citizen or even a majority of its citizens, the gentleman is abandoning the goal that we have set for 50 years in this country, and that is an extreme measure on the gentleman’s part, just like his party.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, the only thing that is extreme is some of the things that are being said and the way some people here are measuring compassion, which is to concentrate poverty and condemn people to another 40 years of terrible circumstances.

In the statement of purpose, I would say to the gentleman, it says, and I read from page 5:

The Federal Government has a responsibility to protect the general welfare of the Nation by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy.

What is radical or extreme about that? I know that is the mantra from the other side of the aisle, when analysis will not do, but I will tell the Chairman that in fact we have hit the mark on this. We are going to break the mold. We are not going to tolerate failures anymore. We are going to give people a decent place to live.

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

Mr. Chairman, I want to deal with some of the rhetoric that we have just heard from the other side and the picture that the gentleman from New York [Mr. LAZIO] held up. The truth of the matter is that if we look at what has actually occurred in terms of housing legislation, a change in the one-for-one rule. Mr. Chairman, Lazio identified in his earlier remarks, prevents the demolition of the very housing project that he was identifying, was passed by a Democratic Congress in 1994. I served on the committee that passed that legislation. It passed the House of Representatives. It was defeated by Phil Gramm in the U.S. Senate in the last dying days of the Congress, because the United States and Urban Development, has, by the end of this year, demolished 24,000 units of public housing. It was Jack Kemp that stood up and said that he did not want to be the Secretary of Demolition. The truth of the matter is that there is flexibility built into the law.

I support and many of my friends, a lot of others here, the gentleman from Massachusetts, Barney Frank, and a lot of us, support the ability of getting rid of the really bad housing and taking authority away from the really bad housing authorities.

What we are talking about is the language of the Watt amendment, which says that we should have a goal of providing affordable housing for the people of this country.

It is amazing to me to sit here in the Congress of the United States and say to one another that we believe that we cannot accomplish those goals. Of course this is a Nation of goals. That is how we build ourselves up. We are not going to attain it next year, but we can certainly lay oursevles out goals that we can all fight for and have the energy to try and hope one day that we can accomplish.

Mr. Chairman, I yield to my friend from North Carolina, Mr. WATT.

Mr. WATT of North Carolina. Mr. Chairman, I thank the gentleman for yielding.

I just want to make it absolutely clear that the statement of purpose, the goals for which I am substituting in this amendment contemplate partnerships, public and private. It contemplates everything that the gentleman from New York [Mr. LAZIO] has said is important to him. But it makes explicit also that we are not abandoning the goal that we have had for housing in this country, not even public housing, just housing in general, decent and affordable housing.

We have had that goal for 50 years, and all of a sudden these new breed come in here and they think there is something magic about their new philosophy and we ought to abandon everything, which is just extreme.

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

Mr. Chairman, I support the amendment that the gentleman from North Carolina [Mr. WATT]. I think it is fundamentally a good amendment. I think that in 1949 and in 1996 we obviously agree that the Federal Government has...
never made the commitment to provide all of the housing for low-income Americans, and the fact is that we should not abandon that goal.

I would say that the difficulty in reaching that goal today has been greatly increased by the disparities of income that exist in our society. Today we simply have more economic casualties than we had before, in terms of people not making it in terms of affordable housing. We need to do something about that.

I think this bill does not reflect what the gentleman from New York has expressed with regard to partnerships and communities working together is good, and I think that the changes we talked about, one-to-one replacement, one-to-one replacement was a good idea, but what has failed here is that local communities did not have the resources.

Once we built public housing or assisted housing and put it in place, we wanted local communities to keep that commitment, that that was what was at stake. I do not think that anyone ever intended that we would have buildings standing that basically were vacant, that were causing and attracting problems. But the fact is that some years ago, local communities recognized that was a problem. It has been addressed, and so I do not think it is a bad thing.

I would certainly concur with the amendment of the gentleman from North Carolina [Mr. Watt] to keep in place the goal of safe and sanitary housing, to keep in place the 1937 and 1949 goals that have been consistently a part of every commitment made by this Congress in terms of safe and affordable housing for people.

I might just add that in the context of this authorization and housing pre-amble debate, very often it was referred to that local housing management authorities that are designated under this bill for significant responsibilities are now going to solve all the problems. Well, it is local housing authorities, frankly, Mr. Chairman, that have indeed been the problem, the failure or inability of some local housing and redevelopment authorities.

In this bill, with the accreditation and the troubled projects, what happened with the troubled projects—the local housing authorities that cannot make it, that do not get accredited, that in fact are not being operated properly, HUD has to take them over. That is basically how fundamentally what this bill does. It passes those problems back to HUD.

The issue that somehow the change here, if we have capable and local housing authorities, they are going to operate correctly, they are going to be able to accept these responsibilities, in fact, Mr. Chairman and the chairman of our subcommittee, I wanted to just point out to my colleagues that St. Paul, the district I represent, has just been recognized by the National League of Cities as the No. 1 housing authority in the Nation, St. Paul, MN.

So the fact is that very often I think we are painting a picture here of the

3,400 housing authorities that do not function very well. Well, I would invite many of my colleagues to come to my district in St. Paul, MN and take a look at the thousands of people that are being housed in real quality public housing and in quality senior citizen housing that are giving people well.

The problem in my community is not the public housing. It is the private housing, the overcrowding that is associated with the private multifamily dwellings in my area.

One of them was the increase in the incidence of homelessness, deinstitutionalization. Others were the insistence that we only ought to be serving the lowest income persons in public housing because, as I said earlier in my statements on the floor, there are 1.3 million families in public housing but there are 13 million that qualify for it in 1996. We are only dealing with 10 percent.

So naturally anyone who would suggest that the Federal Government can take of the entire problem is out of touch with the numbers and where the responsibility lies. But the Federal Government has a key role, an important role. I think maintaining and embracing the goals of the 1937 or 1949 law are simply a core value of what the American people believe in terms of the Federal Government. Not that we can live in the past, but that we should not abandon that particular goal expressed in the basic public housing charter for this and other concerns.

Mr. Chairman, I continue to express my deep concern regarding the direction in which the public assisted housing policy and legislation before the House is going. At a time when 5.3 million American renters have worst case housing needs, the very purpose of H.R. 2406 alters a long-standing goal of housing policy in this Nation—section 2 of the Housing Act of 1949 states:

The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family.

Several laws since 1949 have reaffirmed the national goal that every American be able to afford a decent home in a suitable environment. The measure we consider today proposes to change that goal, that commitment.

So I hope this bill does not reflect the Federal Government has a responsibility to promote the general welfare and to use its resources to aid families seeking affordable homes, section 2 goes on to state clearly that the Federal Government "cannot and will not provide for the housing of every American citizen, or even a majority of its citizens." Is this a stroke of candor—a "can't do" statement, or is it a lack of will—a "won't do" policy?

This legislation does make some positive changes to public housing and federally assisted housing. The one-to-one replacement was a good idea, but I think is critically wrong.

In the late 1970's and the early 1980's, our laws and policies turned a trickle of housing and social problems into a waterfall in terms of homelessness in this country with the deinstitutionalization of disabled persons without the promised funding and support—and homelessness that has occurred because of the housing cost increases in almost every area of our Nation.

Unless the policy path in this bill changes, unless we limit the percentage of income that tenants—families, seniors, and the disabled—pay to no more than 30 percent, unless we restore meaningful income targeting to low and very-low income people along with adequate Federal subsidies that make that possible, I believe that in ten years or so, we will look back at the U.S. Housing Act of 1996 as another policy which drove American families onto the streets and byways across this Nation. These small changes in rent and income targeting will have a significant impact on people and families in public housing and on section 8. People will be vulnerable and will be pushed into an indefensible situation of homelessness. We can and should do better than this measure.

Mr. Chairman, today amendments will be offered by several Members to improve this bill—and I urge my colleagues to give careful consideration and support the Frank-Gutierrez amendment restoring the Brooke protections and the Kennedy amendments on targeting. I will offer an amendment myself that will halt the expiration of the current successful drug elimination program in public and assisted housing by extending the program as revised to address all criminal prevention activities in
and around public and assisted housing—a good amendment which helps retain existing public housing’s liability.

Mr. Chairman, unless this bill is modified to reflect the reality of housing needs and the undeniable necessity of a strong Federal commitment to housing, I would have to urge my colleagues to oppose H.R. 2406.

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

Mr. Chairman, this is an interesting argument, but I think we would all agree that the public housing situation in the United States needs to be addressed, and I hope before it is done we can sort through these amendments and make sure that we are indeed addressing those things which are good and agreeing upon that so we can come up with a good piece of legislation.

With that, I yield to the gentleman from New York [Mr. LAZIO], the chairman of the subcommittee.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding.

Let me just say, Mr. Chairman, that there are some people who want to hang on to a failed past and who are unwilling to admit that the policies that have largely been promulgated in this body have led to that failure.

Mr. Chairman, it was not, as I say, this majority who imposed the one-for-one requirement which has assured over the many years that hulks of buildings, in many cases completely vacant, drug-infested and crime-infested have just sat down.

There were 40 years in which the Democratic Party was in control of this House, Mr. Chairman, 40 years. Part of those years, back 15 years ago, the one-for-one provision was inserted. In none of those years afterward was it repealed, even though we knew it was a failure.

It was the last majority, to correct the record, Mr. Chairman, that imposed Federal preferences that have led to the concentration of the poorest of the poor, that have trapped people in poverty, that have denied them the ability to have role models, that have eliminated the possibility of mixed income, and that in fact have created an environment where it is impossible to transition back into the marketplace.

It was the last majority, Mr. Chairman, not this majority, in sum, that helped create the mess that we are in now. We are now in the process of moving past and reclaiming for heritage, at the same time moving toward the 21st century.

We are moving forward because we believe in giving hope and we believe in giving choices to people. We believe in giving them the opportunity to buy their own home. We believe in the opportunity for them to have entrepreneurial activity and keep the fruits of their labor. We believe in that element. We believe in local control. We believe in partnerships.

We are here to say that the day in which the Federal Government can do it all is over. We are here to say that we are not going to turn our back on millions of Americans who are trapped in these public and subsidized housing projects because it is politically feasible to do that.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CASTLE. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I just want to know whether the gentleman has read my amendment or not.

Mr. LAZIO of New York. I have.

Mr. WATT of North Carolina. Because this amendment acknowledges everything the gentleman has said. I do not understand why he is fighting this amendment. This amendment should have been in the manager’s amendment. Surely you are not saying that setting a goal of providing decent and affordable housing to the American people should not be something that we are to be in every housing bill that we have.

Mr. CASTLE. Mr. Chairman, I reclaim my time and I yield to the gentleman from New York [Mr. LAZIO], so that he may respond.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding.

What I am saying is that the gentleman’s attempt to strike out language which basically deletes the fact that the Federal Government cannot do it all, which is exactly the language that you are striking out, goes to the heart of this mission. The mission is to build community partnerships, not for HUD, not for this Congress to impose this one-size-fits-all, centralized Washington-based model so that somebody in Albuquerque has to live by the same rules as somebody in Babylon, NY, some resident in New York City has to live by the same rules of some people down in Louisiana or Florida.

Mr. WATT of North Carolina. Mr. Chairman, would the gentleman yield?

Mr. CASTLE. Mr. Chairman, I will yield, yes.

Mr. WATT of North Carolina. Mr. Chairman, the gentleman is focusing on what I struck out of the bill, but he needs to focus on what I put back in the bill, because I put a lot of his very language back in the bill. We are encouraging the obtaining of this goal by encouragement of the Federal, State and local governments, by promoting and protecting the independent and collective actions of private citizens, organizations and the private sector, the very same things the gentleman has said.

I did not take these things out and not put them back in. They are in this amendment, and I am encouraging the gentleman to read my amendment and agree to it.

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

Mr. Chairman, I think the gentleman from New York [Mr. LAZIO] dug himself a hole he did not have to dig. His speech was a great speech, but it had nothing to do with the amendment of the gentleman from North Carolina [Mr. WATT].

As I understand the Watt amendment, it says very simply, “It is a goal of our Nation that all citizens have decent and affordable housing.” Am I correct?

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, that is correct.

Mr. SANDERS. The gentleman from New York [Mr. LAZIO] spoke of demolition of housing, the role of the private sector. He spoke about a lot of things, but he did not speak about the Watt amendment. The gentleman from North Carolina [Mr. WATT] did not tell us how we can achieve the goal. He did not explicitly tell us the role of the private sector or the public sector. All that he said is that “It is a goal of our Nation that all citizens have decent and affordable housing.”

It seems to me, Mr. Chairman, that increasingly we are becoming a divided nation. On one hand, we have CEO’s of major corporations who are making 20 times what their workers are making. We have people at the top who are seeing incomes that have never been seen in the history of this country. We are seeing a growing divide between the rich and the poor.

We can have a whole lot of differences regarding the role of government, but I would hope that every Member of this body agrees that all Americans should have decent and affordable housing. That is not a radical statement. It does not say how that housing should be built.

Mr. Chairman, there is something wrong in this country when we are building more jail units than we are building affordable housing units. There is something wrong when hundreds and hundreds of thousands of people are sleeping out in the streets. There is something wrong when millions of Americans are spending 50 or 60 or 70 percent of their limited incomes on housing and, therefore, not having enough money to provide food or clothing or educational opportunity for their children.

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All that the Watt amendment says is, “It is a goal of our Nation that all citizens have decent and affordable housing.”

Mr. Chairman, I would yield to the gentleman from New York [Mr. LAZIO] to tell us not about demolition, not about how we should build housing, what is your objection to the sentence, “It is a goal of our Nation that all citizens have decent and affordable housing”? Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from New York.
Mr. LAZIO of New York. Mr. Chairman, I would tell the gentleman that we have in our statement of purpose almost the same language that says by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy. My objection is with what is stricken, which basically says that the Federal Government cannot through its direct action or involvement provide for the housing of every American citizen. We cannot. We need partnership. It is not what is inserted, it is stricken.

Mr. SANDERS. Mr. Chairman, reclaiming my time, will the gentleman accept the words that have been inserted?

Mr. LAZIO of New York. Not if the point is that we are going to strike the lines that are stricken in the Watt amendment, 6, 7, 8, and 9.

Mr. SANDERS. Mr. Chairman, I would simply conclude by stating that I think this amendment is simple and straightforward. What it says is that in the United States of America, we should not have children sleeping out on the streets, we should not have people paying 50 or 60 percent of their income for rent. I would strongly support the Watt amendment.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. WATT. Mr. Chairman, I want to commend the chairman of the subcommittee for his honesty in removing the goal of providing affordable and decent housing for Americans as the goal of our housing policy. It is an honest statement of what this bill would do.

Mr. SANDERS. Mr. Chairman, I want to commend the chairman of the subcommittee for his honesty in removing the goal of providing affordable and decent housing for Americans as the goal of our housing policy. It is an honest statement of what this bill would do. This bill guts that purpose, and it is commendably honest that the Republican sponsors of this bill state that they want to abandon that purpose, which we have had since 1937, for the last 60 years, as our goal. We have fallen short of getting to a large extent because for the last 16 years or so, 20 in fact, we have been putting very little money into the construction of new public housing. We have built, as the gentleman from Vermont mentioned, more jail cells than public housing units in the last 15 years.

So I support the amendment of the gentleman from North Carolina [Mr. WATT] because I do not think we ought to be providing additional affordable and decent housing for Americans, though I do think it is honest, commendably honest, of the Republican leadership to state that that is what they are doing by removing that goal from the Housing Act, because that is what the provisions of the bill do.

Let us look at the provisions of the bill for a moment. The gentleman from New York said, you have to get rid of the one-for-one rule which does not permit us to demolish eyesores and terrible housing. It would permit us to demolish that terrible housing if we were building replacement housing, if we were building housing for low income people.

The fact is that under the Republican Presidents of 12 years, you keep talking about Democratic Congresses for 40 years, but do not forget about Republican Presidents for 24 of those 40 years, and Republican Senate for I forgot how long of those 40 years. This House is not the House of Commons. We do not rule the country alone. Under the last 16 years of Republican Presidents, or 12 years, for the last 20 years roughly, we have not been putting much into the construction of low income housing. We should. Of course, if you look at our budget projections for the next seven years, we are not going to do it. But we should. We should return to our goal of providing decent housing.

But this bill, again, is honest. It recognizes we are not going to do it. What does it do? It recognizes the fact we are going to cut, the appropriators are cutting the subsidies to public housing agencies. That is going to cause a big deficit in their budget. We will solve that problem. And what do we do? Abolish the Brooke amendment. Let us solve the deficits of the housing authorities budgets caused by great reductions in Federal aid by saying triple your rent.

But wait a minute, these people who are earning less than 30 percent of median income cannot afford to pay that, cannot possibly afford to pay the rent increases that would be necessary to balance the housing authorities' budgets after we have cut the aid. That is okay. Remove the targeting requirements. Kick them out on the street and let them be homeless, and we will move in a higher group of people, low income, but higher income than before, that can pay the rents. It is a nice solution. It all melds together, cut the budget, kick out the people, move in higher income people. Great idea if you got a goal of saving money. But if your goal is to provide safe, affordable, decent housing, it does not work. That is why it is commendably honest to eliminate that goal.

Let me say one other thing. This bill is an insult. It contains a provision in the manager's amendment that insults hard working people, hard working people whose only deficiency, whose only character deficit, whose only crime, is that they are making the minimum wage or a little bit above or a half or two times the minimum wage. We are going to tell them they have to have a personal improvement plan? There is something wrong with them? We are going to judge, maybe the subcommittee judge or the housing authority is going to judge their morals and character?

Simply because they do not make enough money? Even though they may work one or two jobs? I will tell you how to have a personal improvement plan. Double the minimum wage. That will give you personal improvement for a lot of these people. It will improve their living conditions. It will solve the deficit problem to a large extent of our housing authorities. It will not insult working people by telling them there is something wrong with them because they do not make enough money and we have to tell them you have to have a personal improvement plan.

I again rise in strong support of the amendment of the gentleman from North Carolina.

The CHAIRMAN. The time of the gentleman from New York [Mr. NADLER] has expired.

Mr. NADLER. Mr. Chairman, so again I rise in strong support of the amendment offered by the gentleman from North Carolina [Mr. WATT] because it does not abandon the goal. It would stop the abandonment of the goal, at least as a statement of providing affordable housing for our people. But I commend the honesty of the Republican leadership to state that is no longer going to be our goal, because this bill certainly says it will not be.

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

By unanimous consent, Mr. NADLER was allowed to proceed for 30 additional seconds.

Mr. LAFALCE. Mr. Chairman, I have tremendous professional respect and personal affection for the chairman of the subcommittee from the State of New York, but I think he is simply off base in not accepting and indeed embracing this amendment.

It is a rather simple amendment. It does not prescribe a housing program, it just articulates what ought to be a personal goal of every American, it seems to me, and a national goal too, and that is that somehow we will attempt to provide shelter for the home- less and the poor in society.

The chairman of the subcommittee said he had no difficulty with that, it was simply what he wanted to point out we cannot do it for everybody.
wanted to take a negative stance, if you will. I do not know if we should be quibbling about that.

I would remind the gentleman that there are certain statements in the Bible, and the Bible says that we should say it does not exist even though we cannot feed all the hungry we would like to. And the Bible tells us that we ought to clothe those who are without clothes, even though it does not say we cannot do it for all that we would like to. And it also tells us that it is the government that shall decree what is charity. In fact, Mr. Chairman, the government shall decree what is charity.

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

Mr. Chairman, the gentleman from Arizona [Mr. Frank] is one that should be accepted by acclamation.

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

Mr. Chairman, I rise tonight to voice my strong opposition to the amendment offered by my colleague from North Carolina, and especially to rise in strong opposition to the remark of the gentleman that has preceded me in the well of this House, for not only has the gentleman chosen to misinterpret the intent of the new majority, I believe perhaps in his own words he has expressed, quite frankly, the alternative to what he purported in standing up in support of the amendment. Because he said, let every American find housing, not empower the government to decree to every American that it shall be the government that will provide that housing; that it shall be the government in a centralized authority that shall provide that housing.

Indeed, my friends on the other side confuse compassion, for it is the opposition of compassion to try and claim that the sole domain of government or the basic purpose of government to control the masses, to decree, where they live, and thereby somehow the government controls this.

Even to the use of Holy Scriptures, I would remind those who check Holy Scriptures, nowhere in the verses cited is there any mention that it shall be the government which shall stand to take these actions, it shall be the government which will display its compassion through decreeing to citizens what type of life they should live in, that it shall be the government that shall decree what is charity.

Mr. Chairman, the true measure of compassion is people working with their hands and their hearts to provide not only for themselves, but for others. It is not the mission of government to take on more and more responsibility. In fact, Mr. Chairman, the government that my friends believe should be big enough to give all that they will then abide the government enough to take away all that they have.

So I stand here in the name of true compassion to say it is by empowerment, to say it is not the goal of government to house every American, but instead it is the goal of government to empower every individual to have the opportunity to live up to the potential each individual has. Yes, with the safety net, but not with a program that decrees greater and greater and greater dependency. There is nothing compassionate in that equation. It is only enslavement of the working class.

Mr. Chairman, I want to comment on the history offered by the gentleman from New York. I am sorry the gentleman is not here. I asked him to yield and he would not yield. The gentleman talked about all the terrible things that the Democrats did in housing. Well, what thing has he been complaining about the most? The gentleman from New York has been denouncing the Brooke amendment as a job killer.

Now, why does the gentleman so vigorously denounce a Republican who had the most distinguished record on housing of any Republican, and even any Member of this body? Why does the gentleman from New York continue denouncing Senator Brooke as a man who forced a job killing amendment? Because he said the Brooke amendment permitted the housing authorities to charge whatever they wanted, but not if they are making more. Who, now, is giving the disincentive? They are.

Under the Lazio plan, as opposed to the Brooke plan, if tenants are making 30 percent or less, their rent is capped at 30 percent. But if they go to work, if they get off of welfare, the 30 percent or less, their rent is capped at 30 percent. By taking the rent cap off because we do not want your rent to go up when you get a job, we say we agree. We agree with Ed Brooke. We disagree with Ronald Reagan. We do not want there to be an automatic escalator. It is simply saying that there is a limit on the amount that a tenant can be charged, but there is no mandate that they be charged.

Mr. Chairman, the problem is that that way the Republicans would not be able to cut housing and let the housing authorities increase the rents. Their rationale was ripped away from them, so they now come up with a new one.

What is the new one? The new one is if tenants are making 30 percent of the median income or less, they will get the protection of the 30 percent cap, but not if they are making more. Who, now, is giving the disincentive? They are.

Mr. Chairman, here is what the gentleman is claiming. He is claiming that cutting the funds to maintain and operate public housing and provide security and combat drugs in the projects, housing the elderly, and provide the protection of the 30 percent cap, but not if they are making more. Who, now, is giving the disincentive? They are.

How does the gentleman from New York defend that? If we set a 30-percent cap, the housing authorities, because they need money, because the Republicans have cut it, will drive up to the top 30 percent. How does the gentleman from New York defend the housing authorities from going to 30 percent on working people? By taking the cap off.

So, miraculously the gentleman tells us if there is a 30-percent cap, the housing authorities will charge 30 percent, but if they can charge whatever they want, they will only charge 28 percent.

Mr. Chairman, here is what the gentleman does to the elderly. Those Members who are nostalgic for debating the Notch Act, be very happy with the votes today. If they are in elderly housing, their rent will be grandfathered. We willgrandparent the grandparents at 30 percent.
But new elderly people who come in will be allowed to be charged 35 and 40 and 45 percent. So within a few years, we will have a building of elderly people, some of whom will be paying 30 percent, some of whom will be paying 40 percent.

Mr. Chairman, this is inequitable, socially destructive, and indicative of the poor policy choices of this legislation.

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

Mr. Chairman, I think that, first of all, we should be ready to stay here tonight and to fight for housing for people in the United States of America.

Millions of people depend on the outcome of this debate here tonight. I think it is unfortunate that we would want to change 50 years of housing policy and do it in 1 day, and to say we are all going to wrap this up here today.

Mr. Chairman, I am happy to see a bipartisan action of the aisle beginning to fight with the Watt amendment, which I think is a cornerstone of what it is we are going to be debating here tonight and that is: What is the future? And the fact that my colleagues on the other side of the aisle are even refusing to accept what seems to me to be very basically logical language, very fair language about attempting to reach as a goal that all Americans could have affordable housing, and to turn that into an antigovernment rhetoric as though we are trying to impose Big Brother on somebody, which is totally not the case.

So, Mr. Chairman, I want to thank my Democratic colleagues and I suggest we continue to fight, we continue to struggle, because this is an important struggle that millions of Americans are going to depend upon.

Now, Mr. Chairman, I want to read this. And of course, I was born in the United States of America and English is my first language. It is not my only language, thank God. But I read it and it says, “It is the goal of our Nation.” It does not say the goal of the Federal Government. It does not say the goal of the Government. “The goal of our Nation that all citizens have decent and affordable housing.”

Mr. Chairman, it says “goal of our Nation.” And how does it say, and the gentleman from North Carolina [Mr. WATT] said it, and so did everybody else, and it says, “Our Nation should promote the goal of providing decent, affordable housing for all citizens through the efforts and encouragement of the Federal, State, and local governments.”

I do not have a problem with that language, not as a Republican or Democrat, but just as one reading it. It is plain language in this bill. It is fair language. I am not sure what we are arguing about.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. GUTIERREZ] has expired.

Mr. GUTIERREZ. Mr. Chairman, I think the point is we should be working this out. We should be sitting down with the gentleman so that we can reach a consensus here that there is a role, there is a responsibility for all of us.

Mr. Chairman, we cannot cut earned income tax credit; we cannot say we are not going to give a raise on the minimum wage; we cannot say we are going to cut school lunches; we cannot say we are going to do less and less and less and you are going to do more with less. Let us come together. It should be a goal of this country, a place that we seek to reach that everybody can live in a decent and affordable home.

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

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

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

Mr. TALENT. Mr. Chairman, a number of the members of the committee have spoken here, and I certainly respect their expertise in the matter as I respect the gentleman who is sponsoring and handling this bill. It should be a goal of the gentleman from New York [Mr. Lazio].

My perspective is broader than that. It is the experience that I have had in my district and in talking to people around the country who are trying to rebuild distressed urban neighborhoods. My experience is one that I think is shared by many of the Members of this body. It should reflect well on HUD. Mr. Chairman, let me tell a couple of anecdotes that show that I was on a talk show about a year and a half ago with the man who used to be the mayor of the city of St. Louis. He is a member of the Democratic Party. I said, “If you were the czar of public housing in this country,” and he had a lot of experience with it, “what would you do to provide good public housing for poor people?” Mr. Chairman, he said, “I can tell you what I would begin by doing. I would begin by abolishing the Department of Housing and Urban Development,” and then he went on to explain why HUD was blocking the efforts of local officials and private people to provide decent housing for people.

Mr. Chairman, I visited the Columbia Heights neighborhood here in the District of Columbia and looked at what those neighborhood associations are doing to get good people into decent housing. I asked them, “What is your biggest problem with housing?” They said, “It is HUD. HUD owns about 40 properties in our neighborhood, but will not do anything with them. Will not give them to me. I cannot rehab them. They are run down.”

HUD has a lot of people locked in a public housing project using dumb rules and it is a source of difficulty and we cannot get control and cannot do anything about it. I can go on and on. I think everybody in this body could.

Mr. GUTIERREZ. Mr. Chairman, I think let us follow the private sector. It is the experience that I have had in my district and in talking to people around the country who are trying to rebuild distressed urban neighborhoods. My experience is one that I think is shared by many of the Members of this body. It simply does not reflect well on HUD.

Mr. Chairman, I want to talk about a couple of anecdotes that show that I was on a talk show about a year and a half ago with the man who used to be the mayor of the city of St. Louis. He is a member of the Democratic Party. I said, “If you were the czar of public housing in this country,” and he had a lot of experience with it, “what would you do to provide good public housing for poor people?” Mr. Chairman, he said, “I can tell you what I would begin by doing. I would begin by abolishing the Department of Housing and Urban Development,” and then he went on to explain why HUD was blocking the efforts of local officials and private people to provide decent housing for people.
that are rebuilding their neighborhoods, and they keep telling us that HUD is a problem. We keep saying that it is HUD and we cannot do anything about that.

This bill is an attempt to do something about it. What do we need to do? We need local control over the people in these neighborhoods. We need to say: We trust you. You can run some housing projects on your own without detailed supervision.

We need flexibility in Section 8 housing. We need to promote work instead of punishing it. We need to provide for home ownership where we can. That seems to me what is in the preamble here. I do not know that there is a lot of difference. It just seems to me that what we have in the bill with regard to the preamble makes clear that we recognize that the Federal Government is not directly responsible for performing all of those things.

Mr. Chairman, I would like to go on further and say, as it does say, the Federal Government has a responsibility to help in will house, but what we have been doing the last couple of decades is not helping, but blocking the people who really can make a difference. That is what my concern is.

We are fighting over language here. I hope that we can get behind this bill, that we can move forward, and that what we are not seeing here is some rear guard action on behalf of the status quo and that we are going to take this bill up line by line, section by section, and we end up with nothing except HUD oppressing these neighborhoods as they have been doing year after year after year.

There are so many people who see these problems back home and want to know why we do not do something and then they see us up here and nothing ever happens. I hope that is not the result tonight.

Mr. KENNEDY of Massachusetts. Mr. Chairman, will the gentleman yield? Mr. BERETTER. I yield to the gentleman from Massachusetts.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I just want to associate myself with the remarks the gentleman from Missouri [Mr. TALENT] made about his analysis of the problem. Most of us who serve on the Subcommittee on Housing and Community Opportunity recognize that there have been many problems with HUD and that there have been, in fact, some terribly run housing projects, some even worse run housing authorities.

There are changes that are contained within this legislation that are bipartisan in nature. The statements that suggest that we have got to get rid of any problems that hold back people from going to work, that we in fact ought to allow greater local control over public authorities, that we ought to provide tenant management programs and all kinds of innovative and creative ways of getting local control is in fact important.

I can say to the gentleman that I agree with him. I do not understand why a couple of Republicans are digging in their heels about setting a goal on trying to provide housing for the American people. What is the problem? I cannot believe we are having this debate. Why do we not just accept the language?

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. BERETTER] has expired.

(By unanimous consent, Mr. BERETTER was allowed to proceed for an additional minute.)

Mr. BERETTER. Mr. Chairman, I yield again to the gentleman from Missouri [Mr. TALENT]. Mr. TALENT. Mr. Chairman, let me say to my friend, the last gentleman who spoke from Massachusetts, I hope that that is not the case as well. When I have seen a number of times, I hope that is not the case here. The Members that I see are fighting for change in these areas but keep picking and picking and picking at proposals so that at the end of the day nothing gets done. So they try and have it both ways; say, yes, we are for it, but at the end of the day nothing is being done. I hope that is not happening here.

Mr. Chairman, if there truly is not much difference between the two, what is in the bill and the gentleman's amendment, I do not know why we have to have this amendment, which was offered and why we are fighting over there for so long.

I would say to the gentleman I hope something gets done tonight. I hope this does not become a referendum over something that does not matter and instead is a referendum over what does matter for the people of this country, which is whether we are going to rein in HUD or not. That is the way that I see this bill.

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

Mr. Chairman, I am somewhat perplexed at the length of this debate tonight. I will try not to extend it too much further. I have to admit that I looked at the language of this amendment and I do not know what is objectionable. I do not see what the problem is.

The first sentence says it is a goal of our Nation that all citizens have decent and affordable housing. What is the objectionable part? Are we opposed to all citizens having decent and affordable housing? Are we opposed to citizens having affordable housing? Are we opposed to citizens having decent housing? I do not see what the problem is. I do not see why this is an objectionable amendment.

It goes on to say that our Nation has the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State and local governments and by promoting and protecting the independent and collective actions of private citizens, organizations and the private sector to develop housing and strengthen their neighborhoods. This piece of legislation, this amendment, if handed to most Members in this body and asked for their collective judgment, let us say the realtors drafted it. This looks like a statement from the realtors. The realtors believe in affordable housing. The realtors believe in decent housing. But the problem is it has been offered to the gentleman from North Carolina. That seems to be the problem.

Mr. Chairman, the language in the bill itself says that the Federal Government cannot or should not get involved through direct or indirect action but should do so only when there is serious need that private citizens or groups cannot or are not addressing the problem responsibly. Does that mean that the majority is against the deduction for home ownership? The Federal Government is getting involved in housing? The Federal Government is doing the terrible thing that most people say over there, the Federal Government is actually encouraging home ownership in this country by allowing American citizens to deduct their mortgage interest. I do not think that is such a bad thing. I think 99 percent of the people in this country think that home ownership should be encouraged. I fail to see why there is this line being drawn over this amendment. Take a look at the amendment. Read the amendment. It is a good amendment. It is a common sense amendment.

I dare say it is an American amendment. It is apple pie. Let us just take the amendment and go on.

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

I have been listening to this debate, and I have had a chance to read this bill and to read the amendment. I want to congratulate our chairman. I have been listening to the debate here and have had a chance to take a look at this bill. I want to congratulate the chairman because I think he is the first real leader to bring meaningful change to this issue that we have had and we have been. I have been in this Congress for 18 years, and this is the first time I can honestly say that we have got a housing bill that has some fundamental changes. So I congratulate the chairman for that.

The gentleman from New York [Mr. LAZIO] is for change. I see the opponents of this bill come in with their amendment as fighting for the status quo. This is an honest bill. What this bill says is that the Federal Government cannot, through its direct action or involvement, provide for the housing for every American citizen. It is the first time I have ever heard a housing bill dealing with this subject in a long, long time.

Mr. Chairman, we had one of the previous speakers, my good friend from...
Washington, get up and say the realtors could have drafted this amendment from the gentleman from North Carolina. Members can see that that is the point. We are not interested in special interests coming in here drafting our legislation.

The gentleman from New York [Mr. Lazio] did not have special interests drafting this legislation. It was done for the American people. Now we have got people coming in here debating the issue. We want the realtors to draft the amendments. I do not want realtors drafting amendments. I love realtors. They are great people. They are hard working people. But I do not want them writing the legislation. I want us here in this Congress writing the legislation.

This is a great bill. I congratulate the chairman for his hard work and the members of the committee. I even congratulate the gentleman from Wisconsin, Mr. Barrett, for his hard work. But his amendment does not belong on this bill. This is not special interest legislation. We have had too much of that. That is why the people of Wisconsin voted for change because they were voting for this kind of legislation, not for special interest legislation.

Mr. Chairman, for 40 years we have had the special interests come in here and write the legislation. The American people said we do not want any more of that. We want Members of the Congress to draft the legislation. That is precisely what this bill is before us. It is legislation that is drafted by Members of Congress and not by the special interests.

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

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

Mr. FLAKE. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I think that my colleague from Wisconsin mischaracterized the statement of the gentleman from Wisconsin [Mr. Barrett] that Mr. Barrett is suggesting that this amendment or this language, which reiterates the 1937 and 1949 housing goal, could have been drafted by groups from the private sector, could have been drafted by others. It should be noncontroversial. I think, was his point, not that it was drafted. Frankly, I do not know who drafted the VA in 1937, 1949. All I know is that it serves this Nation well to have that and hold that up as a goal. That we do not accomplish it is very disappointing.

Mr. Chairman, I thank the gentleman from New York for yielding to me.

Mr. FLAKE. Mr. Speaker, one of the great concerns I have is, as I listen to this debate, is that we seem to forget that there have been points in American history when we have found the need to provide housing. There we found there to be a problem that in some way made it impossible for us to have the best possible demonstration of what democracy is all about.

One of those was when our soldiers returned from war and we decided that we needed to provide housing. Therefore, we developed the VA program, subsequently the FHA programs and other programs that opened up opportunities for people to be able to move into homes. I felt that the Government had a role in trying to assure that every person who was an American, every person who saluted this flag, who understood its Constitution and understood the responsibility of every American citizen to look for a citizen to become a homeowner. I hate to tell you but that is just not a fact. There is enough data to support the notion that in this country there are reasons that are not given but in fact it is impossible for every American citizen to even believe that they can own a home.

I support this amendment because I think it makes sense. It makes sense for a strong Nation with bountiful resources, with the capability to respond to almost any predicament that it finds necessary, to do so in the midst of a homeless crisis, in the midst of a situation where persons work every day and still are not able to save enough money to be able to buy a house, to at least believe that responsibility let somebody know that we as a government, as a Nation believe that we want you to participate. We want you to share in the American dream. We want you to become a homeowner. We will do everything possible to make it real for you.

I am a provider. I know what it means not only to talk about it, the rhetoric of building communities and building homes. I do it. I know what it means. I am an opportunity to be able to move into their own home. They not only begin to do what is necessary to pay the mortgage. They do whatever is necessary to fix that home up. They work two jobs, if necessary. They do whatever they can to provide for the needs of their family while at the same time providing the best housing opportunity.

I think that when we move away from that responsibility, we are saying that a certain segment of Americans, you do not owe us a house. It was not important. We do not see it as our role to try to assure that you have an opportunity to participate in the American dream.

One speaker before me said, and it is indeed correct, those persons who can afford home ownership in America find that the Government in fact does in many ways pay for them to be home owners. It gives tax credits for their mortgage. It gives tax credits for other things that they pay to the county and the State. And then we come to this place and say, no, we do not have a responsibility or an obligation.

I would challenge my colleagues. I would hope that it is not outside of our sphere to deal with this particular issue because I think it supersedes that. I think all of you, Democrat and Republican, black and white, female and male, must understand our obligations to one another as citizens. And when we do that, I think we can come to good legislation.

We stand up and we proudly sing, America, America, God shed his grace on thee, and crown thy good, and crown thy good with brotherhood from sea to shining sea. In between the seas there are a lot of people who are suffering. There are a lot of people who are crying. There are a lot of people who have desires. There are a lot of people who have unmet needs, and we do not meet those needs by virtue on this place from our responsibility as a people to other people, sharing in a kind of brotherhood that lets us understand that even the poorest of us, the poorest among us have a right to be able to believe that in this society, in this Nation, they will be able to be provided with shelter.

I would hope my colleagues would bury the hatchet of separation and move together. Let us take the Watt amendment. Let us agree to it and let us move forward.

The CHAIRMAN. The time of the gentleman from New York [Mr. Flake] has expired.

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

Mr. FLAKE. I yield to the gentleman from Nebraska.

Mr. REUTER. Mr. Chairman, I wonder if I might be able to engage in a colloquy with the gentleman from North Carolina [Mr. Watt].

I know you are the maker of the amendment. I am just becoming familiar with the amendment and what it attempts to do. My problem, speaking only for myself, is not what you are suggesting and adding in the way of national goals. I think they are entirely appropriate. There is a long history for it.

The problem I have and I suspect that most Members have is what you are deleting. Some Members on this side of the aisle, including myself, feel very strongly that the language which says “the Federal Government cannot, through direct action or involvement, provide for the housing of every American citizen or even a majority” is an
important change. But there is absolutely nothing that is contestable, in my judgment, with what you are suggesting in the way of the goal of our Nation that all citizens have decent, affordable housing. Our Nation should promote the goal of providing decent, affordable housing and so on and so forth, through State, local, Federal action and private action which you describe in several ways.

Is it not possible for us to reach an agreement on this subject or do we have an impossible difference of opinion here so that you simply do not strike line 20 on page 5 through line 2 on page 6, but you add back or you add language which we have accepted in this country for a long period of time.

Does the gentleman find that as a possible amendment?

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. FLAKE. I yield to the gentleman from North Carolina.

Mr. WATT of North Carolina. Mr. Chairman, I would think that there is not a dime's worth of difference between where I think we are and where I hope the gentleman is. If it would facilitate reaching some kind of agreement about this issue, this would be happy, if we could get unanimous consent to withdraw the amendment and reoffer it. But I do not want to lose my place.

Mr. BEREUTER. Mr. Chairman, if the gentleman will continue to yield, I would ask the gentleman to yield then. I would make a unanimous consent request at this point, and we will see if the gentleman finds it acceptable.

Mr. Chairman, I would ask unanimous consent that the section in the gentleman's amendment, the amendment offered by Mr. WATT, where he strike line 20 and all that follows through page 6, on line 2, and insert the following new paragraph:

The striking portion be deleted from the gentleman's amendment and that the appropriate re-numbering follow so that, in fact, we are adding all of the gentleman's new language to the existing language on page 5 and 6.

I would make that unanimous consent request.

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

Mr. WATT of North Carolina. Mr. Chairman, reserving the right to object, I am wondering if the gentleman might allow the debate to continue while we actually look at the impact of that, and it might have some possibilities if we could just allow whoever else wants to speak on this to speak, and in the meantime we will continue to work on it.

The CHAIRMAN. Does the gentleman from Nebraska withdraw the unanimous-consent request?

Mr. BEREUTER. Mr. Chairman, I withdraw the unanimous-consent request until we have time to deliberate on it.

The CHAIRMAN. Does anyone seek recognition on the amendment?

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

Members, I am pleased that I happen to come to the floor at a time where there appears that we can have some agreement about how we can get language back in that will place us squarely on the frontlines in ensuring that this Nation places priorities where they should be.

As a matter of fact, I am very pleased that the gentleman from Nebraska [Mr. BERREUTER] to the gentleman from North Carolina [Mr. WATT] an opportunity to put this language back in that will ensure that this is a goal that we have in this country, that we have a goal of trying to have two or three places to sleep. We have a place in our district. Some of the more fortunate have summer homes. Some fortunate have summer homes. Some fortunate have summer homes.

Mr. Chairman, everybody in this Congress goes home at night to a wonderful place to sleep. As a matter of fact, most people in this Congress have two or three places to sleep. We have a place here in Washington, we have a place in our district. Some of the more fortunate have summer homes. Some fortunate have summer homes.

Mr. Chairman, I am sure that we would not want to send the message that while we enjoy the comforts of two and three and four homes, that somehow we cannot go on record as saying we think every American deserves a decent, safe, and secure place to live.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Ms. WATERS. I yield to the gentlewoman from Texas.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I ask unanimous consent to strike the requisite number of words to enter into a colloquy with the gentleman from New York [Mr. LAZIO].

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

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts [Mr. KENNEDY] is recognized for his colloquy.

Mr. KENNEDY of Massachusetts. I was wondering if the chairman of the Committee on Banking and Financial Services would be willing to endorse the process of having the gentleman from Nebraska [Mr. BERREUTER] and the gentleman from North Carolina [Mr. WATT] get together to try to work out some mutually acceptable language.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. Mr. Chairman, if the gentleman was asking if we would support a unanimous-consent request for the gentleman from North Carolina [Mr. WATT] to withdraw his motion without prejudice with the ability to come back and re-offer his amendment after reflection and negotiation on this particular item, I would have no objection to that.

Mr. KENNEDY of Massachusetts. And, Mr. Chairman, I was wondering if the gentleman could maybe give some encouragement. I would give a great deal of encouragement to the gentleman from North Carolina [Mr. WATT] to try to work the thing out. I was wondering if we might expect the same from the gentleman with respect to the gentleman from Nebraska [Mr. BERREUTER].

Mr. LAZIO of New York. If the gentleman would continue to yield, Mr. Chairman, we have been debating this over an hour now. The important aspect of this for me is to insure that the language which speaks to what I think is the Federal role in terms of it being a partner is preserved to the extent that there is additional material that is inserted that is consistent, I believe is consistent, basically, with what the other elements of our purpose is. I think that it would be a rational thing to believe that we can agree on and that we be able to resolve this issue.

I am supportive of the process.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I think that was a yes, and I am going to take it as one.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I am moved by the gentlewoman's statement, and I appreciate the fact that she has come to the floor and listened to the debate as well with a very prominent housing authority facility in my district, Allam Parkway Village, that has languished for so many years because there may not have been the kind of spirit where the community would come together and say, yes, we need decent, affordable housing, so we do not have this acrimony; we want to work on affordable housing.

I want to raise with the gentlewoman, since she comes from California and I am from Texas, taking this language out would suggest to me if we want to just take it to the absurd, that if we had a disaster, and we asked FEMA to come in, that maybe in fact FEMA should not go in to recreate affordable housing or housing for people whose housing was destroyed because, we take this language and we say we want no involvement of sorts out of the Federal Government.

I was hopeful to not what this Congress wants to say, and certainly if those who have decent housing destroyed by a natural disaster can then have new housing built, why not poor
people, and have the Federal Government’s involvement to do the right thing, which is to create an opportunity for affordable housing?

Ms. WATERS. Mr. Chairman, I think the gentlewoman makes a good point that would make it possible to insulate, as we know, in this United States where people lose their homes because there are acts of nature, and we certainly do not want to send the message that we do not somehow want to assume responsibility in insuring that there is replacement housing.

But beyond that, my colleagues in this House, even with the goals that we have articulated in the preamble to housing legislation in the past, we still have millions of people who are without decent, safe housing in America. We need that goal throughout, not simply the inner cities of America. I am not talking about St. Louis and Philadelphia, and I am not talking about Harlem or other cities that people would immediately want to think about. I am talking about rural America also, where people are living in parks, where people still do not have running water in America. I am talking about down in the delta in Mississippi, where we have people not only without running water, but people who have rags stuffed in the openings in the side of their homes and coverings put on roofs of plastic and other materials in order to keep the rain out.

So I am sure that those who thought about taking out this goal, this wonderful goal that speaks to family values, this goal that talks about insuring that children have a safe and decent place to live. I am sure they did not know what they were saying.

Mr. SANDERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. Mr. Chairman, I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, let me pick up on a point. We are not only talking about housing which is slum housing.

The CHAIRMAN. The time of the gentlewoman from California [Ms. WATERS] has expired.

(On request of Mr. SANDERS, and by unanimous consent, Ms. WATERS was allowed to proceed for 30 additional seconds.)

Mr. SANDERS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. Mr. Chairman, I yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Chairman, we are not only talking about inadequate housing without running water, with holes in the roof. We are talking about housing that is not affordable. Millions and millions of Americans today are paying 50, 60, 70 percent of their limited income for housing, and they have very little else to live with.

And that is why the amendment offered by the gentleman from North Carolina, Mr. WATT’s amendment, is important, and that is why Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. BENTSEN. Mr. Chairman, first of all, let me say I think the language of the gentleman from North Carolina [Mr. WATT] is commensurate with what the goals of the bill are.

As I said, I support the legislation. I think it makes sense. I think there are some things that we are going to have to do that will make it better. One would be the Frank-Gutierrez amendment because I think we want to be careful that the bill does not turn local housing agencies, public housing agencies and local housing management agencies, into profit centers where they seek to raise the most revenue in a time of declining Federal revenues at the expense of low-income people who need housing assistance the most.

So I intend to support that amendment, and I would encourage my colleagues to do the same, but I think that it is a mistake for us to argue or have some ideological argument to think that somehow we cannot have any involvement in housing, because if we look at other sections of the code with our government-sponsored entities, we will see that we have long, in a bipartisan fashion, done everything we could to promote housing for homeowners. And I think that is the goal that we should continue.

Mr. Chairman, I rise in support of the United States Housing Act. As a member of the House Banking Committee, I am pleased that we are considering critical public housing legislation today in the House of Representatives.

This legislation would fundamentally reform the public housing and Section 8 assistance programs. This legislation would deregulate the Public Housing Authorities and promote more local control over public housing programs. In addition, it would consolidate section 8 certificate and voucher programs to promote efficiency and encourage more public housing residents to move into neighborhoods, rather than project-based residences. This emphasis on vouchers will ensure that public housing recipients can either rent or buy homes throughout our communities.

I am particularly pleased that this legislation would encourage home ownership and flexible vouchers for rental assistance. Home ownership has been shown to increase the financial status of purchasers and improve the quality of life for all Americans. We provide many incentives for people to buy their own home and this bill would increase these opportunities for qualified recipients. Flexible vouchers allow tenants to move into their communities, away from project-based assistance. Vouchers offer real choice for tenants and would encourage competition among developers to provide quality housing at a reasonable price.

Existing public housing programs would be consolidated and transferred to Local Housing Management Agencies [LHMA]’s that would administer federally-assisted housing programs and manage these properties. These LHMA’s would be accredited by the Housing Foundation and Accreditation Board to ensure that local programs are well-run and fulfilling their mission. These locally-oriented LHMA’s would make decisions about what kind of housing they would offer, including project-based assistance or voucher-based assistance. As part of this process, the LHMA’s would develop a local housing management plan where local residents and communities leaders would work together to accomplish this goal.

There is a real need to reform public housing programs to better meet the needs of American families. The 1.4 million existing public housing units simply are not meeting the need and are often beyond repair. Of the 13 million families who qualify for public housing, only 4.3 million families actually live in public housing. Clearly, we must do more to meet housing needs.

This legislation would provide greater flexibility to meet housing needs. Decisions about admissions and tenants would be changed so that public housing programs could include a broader mix of residents. As Federal assistance to housing declines, there is a real need for Federal housing authorities. Allowing higher income families to move into Federal assisted housing dwellings will help to replace Federal sub-

May 8, 1996

CONGRESSIONAL RECORD – HOUSE H4605
This bill is also carefully written to ensure that every American has safe and decent housing; No. 3, as whether or not it ought to be the goal of the U.S. Congress and its Members to state that we favor every citizen in this country having safe and inhabitable housing?

Mr. WATERS. Mr. Chairman, I thank the gentlewoman from California.

Mr. WATER.

The CHAIRMAN. Is there objection with reference to some rather innocuous language.

Mr. WATT of North Carolina. Mr. Chairman, this Nation built a monument to middle-class housing and the veterans of the Civil War. The Administration and the Veterans' Administration, and rightly so. We seem to forget exactly what the United States of America does for any number of entities that are involved in institutional development.

When a major institution in this country builds a brand new building and leases it for 99 years, it does not mean that the Federal Government is not involved in insuring the loan that constructed those magnificent high-rises in many of our communities that have absolutely nothing to do with the housing or individual development.

How dare we come in here and say, as policymakers of this Nation, that we do not favor a goal of ensuring that every citizen in this country has safe and inhabitable housing? I find it almost unbelievable that in the preamble to this bill that is going to change housing policy that has been in existence for as much as 50 years, we find ourselves debating something as simple as whether or not it ought to be the goal of the U.S. Congress and its Members to state that we favor every citizen in this country having safe and inhabitable housing.

Ms. WATERS. Mr. Chairman, I yield the gentleman from North Carolina.

Ms. WATERS. Mr. Chairman, will the gentleman for yielding to me.

Mr. HASTINGS of Florida. Mr. Chairman, I move to strike the requisite number of words. I have sat, incredulous, that this debate has been ongoing. Of course, I am very supportive of the amendment offered by the gentleman from North Carolina [Mr. BEREUTER] and those who are concerned enough to be about the business of trying to reconcile what remaining differences exist with reference to some rather innocuous language.

Mr. Chairman, this Nation built a monument to middle-class housing under the aegis of the Federal Housing Administration and the Veterans' Administration, and rightly so. We seem to forget exactly what the United States of America does for any number of entities that are involved in institutional development.

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Ms. WATERS. Mr. Chairman, I thank the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I thank the gentlewoman for yielding to me.

Mr. Chairman, I would like to continue on a bit more about what the gentleman started, that talked about some of the things that we have done to carry out that kind of policy. As a matter of fact, Mr. Chairman, the GSE's come to mind, the government sponsored enterprises, where we have FNMA and Freddie Mac. That is not about anything more than ensuring that we have the vehicles by which we can get those mortgages on the secondary market to ensure that people can own homes.

If we do not support the preamble and the goals of that preamble, are we then saying we want to remove our support from these GSE's and all of these instruments that we have developed to support ownership and means by which people can get into safe and decent housing? Would the gentleman not say that we have in place not only the GSE's, but veterans policy and other things to carry out the goals that we articulated in that preamble? Is that what the gentleman is referring to?

Mr. HASTINGS of Florida. Mr. Chairman, there is no question but what that is true, if we were to add to that the mortgage deduction that I benefit from in developing my interest in a home, or any number of aspects of the government's involvement in allowing for the development.

But what I was trying to get across is it is not only homes. We insure the homes of millionaires with their mortgages. There is nothing wrong with that. Why, then, should there not be a goal that we want to make sure that every American understands that we as
policymakers favor their right to have a safe and inhabitable house, and that the public and the private sector, local and Federal and State, ought to participate as a goal to ensure that? I thought that is what I was here about.

Mr. WATT of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I appreciate the gentleman yielding. The gentleman has rightly pointed out the tremendous ownership opportunities that have been developed in these last 50 years. To date, 65 percent of American families own their own homes.

Tonight, of course, what we are talking about is those groups that are in most desperate need, those that are receiving public housing. That is what this particular bill is about. That is why I think it is so important that we recognize this as a goal among the neediest, and I think as a Nation we have done a very well.

Mr. WATT of North Carolina. Mr. Chairman, I ask unanimous consent that the amendment currently under debate be withdrawn, and that an amendment which I have at the desk be substituted instead.

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

Mr. BEREUTER. Reserving the right to object, Mr. Chairman, I will not object. I want to thank the gentleman for his work, and the chairman of the subcommittee, the gentleman from New York [Mr. Lazio], on following through on a suggestion we made in a colloquy here. I urge my colleagues to support the unanimous consent request and the amendment that the gentleman from North Carolina will subsequently offer.

Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. WATT OF NORTH CAROLINA

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk reads as follows:

Amendment offered by Mr. WATT of North Carolina: page 5, line 22, insert “alone” after “involve” (line 20); page 6, line 47 strike “only” after “housing” (line 46); page 8, line 33 strike “only”; page 8, after line 33 add the following: and renumber accordingly.

It is a goal of our Nation that all citizens have decent and affordable housing.

(5) Our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments and by promoting and protecting the independent and collective actions of private citizens and organizations, and the private sector to develop housing and strengthen their own neighborhoods.

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

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

There was no objection.

Mr. WATT of North Carolina. Mr. Chairman, basically what we have done in the bill is to acknowledge, as the original bill does, that the Federal Government cannot alone accomplish all of the housing objectives that we all have as a Nation.

We have added to that goal, the specific language that is in the original Watt amendment, which says that our Nation should promote the goal of providing decent and affordable housing, and the rest of the language that was in the original amendment, and we have acknowledged that the Federal Government can pursue this policy. So I think all our hearts and minds are at peace on this.

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

Mr. WATT of North Carolina. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, I would like to say to the gentleman that I am so appreciative that he took the leadership to ensure that we did not somehow kill a philosophy that has held us in good stead as it relates to housing. I thank the gentleman.

I would like to take this time to thank the gentleman from New York [Mr. Lazio] and the gentleman from Nebraska [Mr. BEREUTER] for bending and for accepting that it is important to have this as part of our philosophy. I think that if we continue to work in this vein, we can straighten this bill out. We have a couple more amendments to go that I think are very important, but for the time being, I think it is worth it to note that an important step has been taken here in moving in the right direction. I thank the gentleman so much.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I want to thank the gentleman as well for working with us to resolve this issue. I emphasize again that the point we are trying to make and which we continue to make and which the gentleman has accorded us graciously in terms of this language is to ensure that the Federal Government cannot go it alone. Those days are basically over.

We need to develop good community partnerships, the Federal Government being a vibrant and vital partner in developing a housing strategy, together with States, together with communities, locally based solutions, for-profits, not-for-profits, institutions, all working together collaboratively.

I want to express support for the modification to the amendment that the gentleman has offered.

Mr. WATT of North Carolina. Reclaiming my time, Mr. Chairman, I want to express my special thanks to my friend, and in the heat of debate sometimes people get the impression that we are not friends. The gentleman from New York [Mr. Lazio] is my friend, but this is important public policy.

The point is that the Nation should have for affordable and decent housing for all Americans.

Mr. Chairman, I want to express a particular thanks to the gentleman from Nebraska [Mr. BEREUTER], who played the role of peacemaker and reminded us of what we are here about this evening.

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

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to section 2?

If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as “local housing and management authorities”, and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work and become self-sufficient; and

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) DISABLED FAMILY.—The term “disabled family” means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term “drug-related criminal activity” means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(3) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms “elderly family” and “near-elderly family” mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.
Elderly person—The term "elderly person" means a person who is at least 62 years of age.

Family—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

Income—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

A. Any amounts not actually received by the family.

B. Any amounts that would be eligible for exclusion under section 1613a(7) of the Social Security Act.

Indian—The term "Indian" means any person recognized as being an Indian, Alaska Native, or Native Hawaiian by an Indian tribe, the Federal Government, or any State.

Indian area—The term "Indian area" means the area within which an Indian housing authority is authorized to provide low-income housing assistance under this Act.

Indian tribe—The term "Indian tribe" means any tribe, band, pueblo, group, community, nation of Indians, Alaska Natives, or Native Hawaiians.

Local housing and management authority—The term "local housing and management authority" is defined in section 103.

Local housing management plan—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for purposes of this Act.

Low-income family—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

Low-income housing—The term "low-income housing" means dwellings that comply with the requirements—

A. under subtitle B of title II for assistance under title II for the dwellings; or

B. under section 284 for rental assistance payments under title II for the dwellings.

Near-elderly person—The term "near-elderly person" means a person who is at least 65 years of age.

Person with disabilities—The term "person with disabilities" means a person who—

A. has a disability as defined in section 226 of the Social Security Act; or

B. has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Sec. 103. Organization of local housing and management authorities.

Requirements—For purposes of this Act, the term "local housing and management authority" and "authority" mean any entity that—

1. is a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

2. under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipal, or other governmental body or public entity; or

3. an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing and

C. complies with the requirements under sub-section (b).

B. council of directors—Each local housing and management authority shall be governed by a board of directors or other form of governance as prescribed in State or local law.

D. any board of directors or other similar body of an authority; or

E. which is not primarily of scattered site public housing;

F. which is subject to an annual block grant contract under section 222(a).

Orders and management of the local housing and management authority shall be approved by the board of directors or other similar governing body of the authority and shall be publicly available.

Sec. 104. Determination of adjusted income.

A. in general—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit and the persons on a lease and the amount which 3 percent of the annual family income is exceeded by the sum of—

1. child care expenses necessary to enable a handicapped member of the family to be employed or to further his or her education;

2. medical expenses of any elderly family;

3. any uncompensated medical expenses of any elderly family; or

4. child care expenses available to any member of the family to be employed or to further his or her education.

A. in general—Except as provided in subparagraphs (A) and (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is—

A. a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

B. a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

C. a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing;

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G. a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing.

H. the terms "local housing and management authority" and "authority" mean any entity that—

1. is a public housing agency or Indian housing authority that was authorized under the United States Housing Act of 1937 to engage in or assist in the development or operation of low-income housing.

2. under this Act to engage in or assist in the development or operation of low-income housing.

3. an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing and

4. which is subject to an annual block grant contract under section 222(a).

Orders and management of the local housing and management authority shall be approved by the board of directors or other similar governing body of the authority and shall be publicly available.

Sec. 105. Determination of adjusted income.

A. in general—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit and the persons on a lease and the amount which 3 percent of the annual family income is exceeded by the sum of—

1. child care expenses necessary to enable a handicapped member of the family to be employed or to further his or her education;

2. medical expenses of any elderly family; and

3. any uncompensated medical expenses of any elderly family; or

4. child care expenses available to any member of the family to be employed or to further his or her education.
head of the household or his or her spouse who is under 18 years of age or is attending school or vocational training on a full-time basis.

(3) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded from income may not exceed $480 for each child for whom such payment is made.

(c) PERMISSIVE EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) E XCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family;

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) OTHERS.—Such other amounts for purposes of determining adjusted income and management authority may establish.

SEC. 105. LIMITATION ON ADMISSION OF DRUG OR ALCOHOL ABUSERS TO ASSISTED HOUSING.

(a) AUTHORITY.—Notwithstanding any other provision of law, a local housing and management authority may establish standards for occupancy in public housing dwelling units and assistance under title V, that prohibit admission to such units and assistance under title V by any person—

(1) who is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

(2) who has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

(3) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

and in making such a determination may obtain recommendations of social workers, drug and alcohol counselors, probation officers, and former landlords for such person.

(b) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to subsection (a), to deny admission or assistance to any person based on a history of use of a controlled substance or alcohol, a local housing and management authority may consider whether such person—

(1) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

(2) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

(3) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or use of alcohol (as applicable),

and in making such a determination may obtain recommendations of social workers, drug and alcohol counselors, probation officers, and former landlords for such person.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY.

(a) REQUIREMENT.—Except as provided in subsection (b), each local housing and management authority shall, as a condition of occupancy in public housing dwelling units and assistance under title V, require that the head of the household or his or her spouse be employed and earning amounts:

(1) less than 8 hours of work per month within the community in which the family resides; or

(2) participate on an ongoing basis in a program designed to promote economic self-sufficiency.

(b) EXEMPTIONS.—A local housing and management authority may exempt from the provisions of this section an individual who is—

(1) under the age of 17,

(2) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(3) a person with disabilities and unable (as so determined) to comply with the requirement;

(4) working, attending school or vocational training, or complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(5) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) GENERAL.—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and revision of plans and for the incorporation of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating) the relevant jurisdiction and for concomitant review of such plans.

(c) CONTENTS.—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upholding fiscal year of the assistance under this Act and is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the authority that includes—

(A) a description of financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under this Act, and assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(c) an estimate of the market rent value of each public housing development of the authority;

(2) POPULATION SERVED.—A statement of the population of the authority, excluding disabled families, and of assisted families, including the number of families assisted under section 227 and any information required under such sections;

(3) ROUTINE AND PREVENTATIVE MAINTENANCE POLICIES FOR PUBLIC HOUSING.—A statement of the grievance procedures of the authority under section 110.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing the provision of public housing; and

(E) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 110.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments;

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under section 321;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 321(h) with respect to such demolition or disposition;

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 321(g), and any information required under section 321(c) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a statement of any buildings that the authority is required under section 203(b) to convert to housing assistance.
under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title III for use to be rented for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under section 108(e) of title II of such Act, if the authority has not submitted a plan to the Secretary for the purpose of obtaining funds under such section, and an analysis of whether the authority will determine that any amendment to the plan of the authority under section 107, as required under this section and subsection (b), the plan shall be considered to have been determined to be in compliance with the requirements under section 107 and the authority shall be considered to have been determined to be in compliance with the requirements under section 107.

(11) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary under this section and the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the non-compliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority of such reasons, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(12) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(c) STANDARDS FOR DETERMINATION OF NON-COMPLIANCE.—(1) A schedule of the purposes of this Act be considered to have been determined to be in compliance with the requirements under section 107 and the authority shall be considered to have been determined to be in compliance with the requirements under section 107.

(2) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this subsection, the Secretary may not determine that a plan was non-compliant with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has extended the time for performance of activities as set forth in the plan.

(3) ACTIONS TO CHANGE PLAN.—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and such change is not the result of the authority for the next fiscal year only if—

(1) in the case of any change in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) REQUIREMENTS.—The Secretary shall conduct a limited review of each amendment submitted to the Secretary under subsection (f) which is reviewed in accordance with such subsection; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

Sec. 109. PET OWNERSHIP.—A resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 106 of title II of such Act) that is in compliance with the requirements of section 107, may not own or hold pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

Sec. 110. ADMINISTRATIVE GRIEVANCE PROCEDURE.—(a) REQUIREMENTS.—Each local housing and management authority shall establish an administrative grievance procedure under which residents of public housing and assisted families under title II will—

(b) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(c) PLANS FOR SMALL LHMA's and LHMA's ADMINISTERING INTIAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements applicable to any amendments to such plans not necessary for such agencies.

Sec. 108. REVIEW OF PLANS.—(a) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary under this section and the Secretary determines that a plan, as amended, does not comply with such requirements for not later than 30 days after receiving the plan if the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the non-compliance and any modifications necessary for the plan to meet the requirements under section 107.

(b) NOTICE OF REASONS FOR DETERMINATION OF NON-COMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary will provide the local housing and management authority with a copy of the notice under section 107 and the authority shall be considered to have been determined to be in compliance with the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NON-COMPLIANCE.—The Secretary may determine that a plan was non-compliant with the requirements under section 107 only if—

(1) the proposed amendment is plainly inconsistent with the purposes of the plan; or

(2) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost.

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not considered the amendment in a timely manner.

Sec. 109. PET OWNERSHIP.—A resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 106 of title II of such Act) that is in compliance with the requirements of section 107, may not own or hold pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

Notwithstanding the preceding sentence, pet ownership in housing assisted under this Act that is federally assisted housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 109.
SEC. 111. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title I for an additional year to provide for the Secretary’s administrative costs of administering a grievance procedure under this section (including costs of retaining counsel) shall be considered operating activities under this section (including costs of administering a grievance procedure).

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters; and

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters; and

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation, and

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development.

SEC. 112. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, and minimum wage (as defined in the Fair Labor Standards Act), shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(b) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as determined under subsection (a) shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section before making any payment under such contract.

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing shall not apply to any of the following individuals:

(1) VOLUNTEERS.—Any individual who—

(A) performs services for which the individual volunteered;

(B) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) RESIDENTS EMPLOYED BY LHMA.—Any resident of a public housing development who is an employee of the local housing and management authority for the development and performs services in connection with the operation or production of a low-income housing project owned or managed by such authority.

SEC. 113. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act of 1968, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Rehabilitation Act of 1990, and shall affirmatively further fair housing.

SEC. 114. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply on the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability on another date certain.

(b) REGULATIONS.—The Secretary may issue any regulations necessary to carry out this Act.

(c) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

The CHAIRMAN. Are there amendments to title I?

AMENDMENT NO. 35 OFFERED BY MR. VENTO.

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 35 offered by Mr. VENTO:

Page 11, line 10, strike “authority’s” and insert in lieu thereof “Secretary’s”.

Page 13, line 10, strike “authority’s” and insert in lieu thereof “Secretary’s”.

Mr. VENTO. Mr. Chairman, this is, I suppose in some minds, a technical amendment. What the bill has done is that it gives the Secretary, based on findings by the local housing management authority, to change the 50 percent very low-income definition to raise it or lower it, depending upon local conditions, and to, on the 80 percent, and this really deals with the flexibility for the Secretary, based on findings by the local housing management authority, to change the 50 percent very low-income definition to raise it or lower it, depending upon local conditions and findings.

Mr. Chairman, I have no objection to the Secretary having this flexibility. In fact, I think that it is necessary. I am concerned that the bill appears to limit this solely to the local housing management’s findings. I think it is clear to me that since the Secretary has to approve it, that indeed he has and should set some standards as to what those findings are.

I do not think it is probable that 3,400 different housing authorities will in fact seek to modify these percentages, and I think it is probably somewhat unrealistic to assume that they will develop the expertise independently. I think that they have some insights, but I doubt that they on their own, without any type of guidance, would be able to in fact establish this without some signal, some direction from the Secretary of Housing and Urban Development.

So my amendment would alter that so that instead of the local housing authority making the findings, that in fact it is the Secretary. I just think it is important from the onset to understand the significance of changing these definitions in law, not handing that over to a State and local government authority, whatever the entity may be, the local housing management authority, but in fact to keep that definition responsibility in the hands of the Secretary, one that has to, in any case, approve this, and I think should be, as I said, involved from the beginning with regards to findings. This would restore what essentially is current law.

Mr. Chairman, I am not aware with any problems that have occurred with that. I think it would be clear, as I said, that local housing management authorities would certainly be consulted or be expected to in fact put together the data, so I would be happy to yield to the subcommittee chairman, the gentleman from New York, Mr. Lazio, for further explanation. I do not recall any testimony or any problem with this issue, so I look at it as a technical amendment.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, my disagreement with him on this issue has to do with who initiates the changes that would basically define low and very low income for purposes of making adjustments to basically definitional issues.

Mr. Chairman, the gentleman would suggest that the Secretary in Washington ought to initiate this. Our position is that leave a maximum local control, and that the low community would be the entity to initiate the request, the change in definition in terms of the threshold, what is median income and fact, I think that it is necessary. I am concerned that the bill appears to limit this solely to the local housing management’s findings. I think it is clear to me that since the Secretary has to approve it, that indeed he has and should set some standards as to what those findings are.

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ed by the manager’s amendment), strike paragraph (2) (relating to resident membership) and insert the following new paragraph:

(2) Resident Membership

(A) In general. In any public housing dwellings units owned or operated by the authority or members of assisted families under title III.

(B) Election and Training. Members of the board or body shall be elected by the manager’s amendment that was adopted, I had to make a few minor modifications, but the language is the same.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, if I might see that first.

Mr. FIELDS of Louisiana. Mr. Chairman, I would be happy to share it with the gentleman. It is the exact amendment that I prefiled and was printed in the Record. The only change in this amendment versus the printed amendment is to the different language in the different parts of the bill because of the manager’s amendment. So this amendment was to comply with the manager’s amendment that was adopted by this House.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield once again, if I can see a copy of that language, it will help facilitate our discussion. I believe, if we have that.

Mr. FIELDS of Louisiana. Mr. Chairman, I turned in 12 copies. I would be happy to share this copy with the gentleman from New York if the gentleman does not have a copy of the amendment. It is the exact amendment that I introduced earlier. The only change is the change in location.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, I wonder if the gentleman can point out the differences in the original printed version relative to the corrections that he made after the adoption of the manager’s amendment.

Mr. FIELDS of Louisiana. Mr. Chairman, in the manager’s amendment, as the gentleman from New York is aware, the section that deals with the board of directors, the manager’s amendment calls for an election of one

Mr. FIELDS of Louisiana. (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

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

There is no objection.

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment is a very simple amendment. It should be a non-controversial amendment because it does not deal with the preamble, it deals with the substance of the bill. This amendment will, quite frankly speaking, simply provide that the boards that will be in place across this country that will regulate public housing must be composed of at least 25 percent of the individuals who live in public housing. This is at a time, Mr. Chairman, when we want to give local tenants more input into the decision-making process, and this amendment is right along those lines.

Twenty-five percent of those individuals who are in public housing being on a board, that means that about 75 percent will not be in public housing. Although that is not a mandate in this amendment, it can very possibly be that way.

If you have a 4-member board, Mr. Chairman, only 1 member under this amendment will be from the public housing; 8 members, 2 members; a 12-member board, only 3 members; 16, 4 members. So 25 percent of whatever board we have will consist of people from the public housing who live there every day.

Second, Mr. Chairman, if there is any question about training those individuals who live in public housing, whether or not they are able to conduct themselves in a manner that is conducive to finances and things of that nature, each of these people, each of these individuals will be trained. The amendment does not deviate from the present language in the bill. It provides for training among those members who will come from the public housing to serve on those particular boards.

Chairman, I would like to state that many public housing boards across this country now include members from public housing. As a matter of fact, it makes it much more conducive for implementing programs because the tenants are in a better position to know what in fact takes place on a day-to-day basis in those public housing facilities all across this country.

So this is an amendment that simply allows tenants to participate in the decision-making process in this country, and I do not think there is any opposition from the other side of the aisle.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I would ask the gentleman if this is the same amendment that is being offered that was printed earlier, listed as Amendment No. 4.

Mr. FIELDS of Louisiana. This is the same. After the manager’s amendment was adopted, I had to make a few minor modifications, but the language is the same.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will yield further, if I might see that first.

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Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, I wonder if the gentleman can point out the differences in the original printed version relative to the corrections that he made after the adoption of the manager’s amendment.

Mr. FIELDS of Louisiana. Mr. Chairman, in the manager’s amendment, as the gentleman from New York is aware, the section that deals with the board of directors, the manager’s amendment calls for an election of one
I think the gentleman wants to go much further than I think is appropriate, quite frankly, with respect to some of the other provisions, including establishing a quota of 25 percent, technical training that I think gets us back into that micromanaging model that I am trying desperately to move away from, and also striking some of the exemptions that I will help make this workable in terms of direct election.

The CHAIRMAN pro tempore. Does the gentleman ask unanimous consent to withdraw his amendment?

Mr. FIELDS of Louisiana. Mr. Chairman, I ask unanimous consent to withdraw the amendment that I introduced today and be allowed to speak to the original amendment that was printed in the RECORD.

The CHAIRMAN pro tempore. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT NO. 4 OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. Fields of Louisiana:

Page 14, strike line 18 and all that follows through page 16, line 18, and insert the following:

(A) IN GENERAL. In localities in which a local housing and management authority is governed by a board of directors or other similar body, individual directors who sit on the board or body shall be individuals who are (i) residents of public housing dwelling units owned or operated by the authority; or (ii) members of assisted families under title III.

(B) ELECTION AND TRAINING. Members of the board of directors or other similar body by reason of subparagraph (A) shall be selected for such membership in an election in which all residents of public housing dwelling units owned or operated by the authority and members of assisted families under title II who are also members of the board or body are eligible to vote. The authority shall provide such members with training appropriate to assist them to carry out their responsibilities as members of the board or other similar body.

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment simply provides that 25 percent of all the boards of directors across the country will consist of 25 percent of tenants. Twenty-five percent of the individuals who sit around the table and make decisions on how public housing works in America will be tenants.

It is a very straightforward amendment. There is nothing complicated about it. If there is a board of four, then one member will according to this amendment come from public housing.

Second, this amendment will also provide, as I stated earlier, for training. So anyone who has any question about individuals being able to make major decisions, each individual who is elected to the board will be provided adequate training.

In terms of who will elect these members, these members will be elected by bona fide housing residents. The housing residents will meet and elect their representatives to the board, and those individuals will serve based on a time period that is enumerated by the rules and the regulations of that particular board.

If there are no objections to this amendment, I suggest its adoption.

Mr. BEREUTER. Mr. Chairman, I rise and in opposition to the Fields amendment.

I am not quite sure what the gentleman is attempting to add but I think I am right in understanding some of the things that he is eliminating. He is eliminating, as I understand it, the exceptions which begin on page 15, subparagraph B, and specifically on pages 22 through 24, and on page 16, lines 1 and 2. He is eliminating the exception for local housing and management authorities that own or operate more than 250 public housing dwelling units, including any authority that does not own or operate public housing. We have had substantial debate on this issue.

This Member has strong objection from his own State—for example, from the city of Omaha—to in fact requiring, in contrast to State law, that a resident be a member of the public housing authority. But I certainly have strenuous objections to the smaller housing authorities also have this requirement.

I think my colleagues should know that in my State, for example, we once had the second largest number of public housing units in the country. We started quite early in the process. Many of them are for senior citizens. A great many of them have less than 30 units across the whole State. That is especially true in my district and in the district of the gentleman from Nebraska [Mr. Barret]. It would be not only difficult and in contrast to State law to have residents automatically being placed on the public housing authority for those units, it would be unworkable.

We have had this debate before. I think we are bending an exceptional amount already in suggesting that in fact for the larger housing units you have a resident that becomes a member of the board, but to take it down to the small housing units is something that this Member cannot accept. In representing his constituents, it is unworkable in the small cities and the villages in my district that have these small housing authorities. It is in contrast to State law. We are exempting the State law.

Therefore, I have to rise in strong objection to the gentleman's amendment which would remove this exception.

Mr. FIELDS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Louisiana.

Mr. FIELDS of Louisiana. I appreciate the gentleman's comment, but I am having a hard time understanding
How a board that consists of 15 Members is OK to have one tenant from the public housing but a board that consists of five or four is not acceptable. I thought the gentleman’s philosophy, and that is one of the reasons why I introduced the amendment, was to give tenants an opportunity to participate.

I see that the gentleman is not adverse to tenant participation because the gentleman has spoken to that point, and I cannot understand why just because there is a small housing facility versus a large, that those tenants should be denied the opportunity to participate.

Mr. BERIUTER. Reclaiming my time, I would say that under State law public housing authorities in my State have 5 members. You are mandating that at least one of those members automatically, despite the recommendations of the city council or the village board of trustees in my State that appoints the housing authorities, must appoint one person from the residency of that public housing.

In many cases these housing units are exclusively for senior citizens. In most cases they really are. This is too much intrusion in local control and decision making about what the city council, that city council, that village board of trustees wants to have on the housing authority. In many cases they in fact do appoint it but that ought to be a decision that is made by the city council, the governing body of that particular community. That is why I object to the gentleman’s amendment.

Ms. JACSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I thank the gentleman from Louisiana [Mr. FIELDS] for the insight and the vision that he has had with respect to this legislation. I have heard from Grand Marais, Minnesota, and I would simply like to offer an explanation as it relates to a local situation. He has mentioned a local community and I would like to mention one as well in Houston, where we have been dealing with a public housing problem for a number of years.

There would be many that would come and suggest there are reasons why we have this problem: Federal regulations, the disagreement, if you will, between the local parties, lack of funding, lack of priority. I would offer to say that maybe the reason why we have this problem is that we have not brought parties together to be able to discuss how best to solve and create good public housing, good, clean public housing, with the involvement of residents.

I like that word “residents,” as opposed to “tenants.” It gives a certain stakeholder’s role to those in public housing.

This amendment the gentleman offers is a positive amendment that is instructive. Not only does he provide for an opportunity for participants, for residents to participate, but he gives them training, the training that any board member would bring maybe from their work experience or business experience, he then allows those residents to have the same kind of training to be able to be part of a management system.

Has anyone seen their local United Ways, where they have attempted to reach out into the community? Our United Ways used to be a board of corporate CEO’s. Those are the only people they would bring in. They collected money and decided how it was to be distributed. We got wise until Houston realized United Way was a community organization, and that means they had to reach out to local community activists and local community individuals to be on the United Way board.

This is the very same approach. This allows the residents of that particular housing entity, that housing development, to be able to participate, and it gives them the necessary training.

I am not saying that we suffer in local communities with units under a certain number where we increase the number of residents. I am not sure that is detrimental when in fact in most cases the dominant party will be selected from the community and will be able to work with a lesser number of residents. So I am unsure of the difficulty in allowing the Fields amendment to go forward.

I applaud him for this amendment. I have seen over the past 17 years in Houston where we have had strife and disagreement because we have not had the involvement of our residents to solve a problem, to provide clean and decent public housing. It is not a question of numbers. It is not a question of whether we keep units, it is a question of whether people can have a meeting of the minds. You cannot have a meeting of the mind when you have residents standing on the outside with the door closed. We need to affirmatively bring them inside.

Twenty-five percent is a minimal number, it is a fair number. It is a fair number for smaller units, and it is a fair number for larger units.

Mr. Chairman, I applaud the gentleman from Louisiana [Mr. FIELDS] for his vision, and would solicit the support for this amendment. I would simply say to my colleagues in opposition, we cannot do any less than our civic boards across the Nation. Let us diverse, let us include let us solve this Nation’s housing problems, not only by ourselves, but including those who are most affected, and that is the residents. I support the passage of this amendment.

Mr. Chairman, I rise today to speak in support of this very important amendment.

Having a place to call home, no matter how modest, is a cornerstone of the American dream. It is the goal of every family. A home is not just a place to live; it is also a place where individuals should and must have a voice.

This amendment would go a long way in creating a voice for residents of public housing in the decisionmaking processes that affect their lives. By requiring at least 25 percent of the board or directors of local housing authorities, be residents of public housing, or persons receiving Federal rental assistance, the best interests of resident’s would be served.

To ensure that those who serve in this capacity are truly representative, they will be elected by the residents and be given sufficient training to fulfill their obligation to their community.

This amendment will inject fairness into this legislation and allow for residents who are personally invested in public housing to have a voice in the decisionmaking process.

I would like to thank Representative FIELDS for bringing this important amendment before the House for consideration.

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

Mr. Chairman, I rise in support of the gentleman from Louisiana’s amendment. I think it is a worthwhile amendment, and I support it. It is consistent with the amendment that the chairman said about his desire to put public housing into the hands of the tenants or the residents.

As a matter of fact, I have heard that statement made many, many times this evening, that it is the chairman’s desire, it is the desire of the Republican Party, it is the desire of the leadership, to put public housing in the hands of the tenants or the residents.

Well, Mr. Chairman, this is the way to do it. I understand very well how it works now. As a matter of fact, many cities across this Nation simply appoint people who are well connected. You know, the mayor in some cities and the mayor is making the appointment. If you have been involved in the campaign, if you know a contributor, what have you, you get an appointment.

The same thing is true with the members of the city council. They appoint their friends and cronies and those politically connected. That is okay. I guess there should be some pay-off for those who are supportive.

But the fact of the matter is, residents have been excluded from decisions about their daily living. We have these resident councils in each of the housing authorities or the projects. However, oftentimes they are kind of left to try and be involved in ways that they do not really know how to be involved.

We have the residents who are supposed to be organized at each site. Oftentimes they are not getting any training. They do not even know when something takes place. They do not receive the notices, they are not encouraged to be at the board meetings. The agendas are developed without their input.
It is time for us to make sure that we mean what we say. If in fact we have the resident councils at each site and we then have the area councils, and somehow they are supposed to be involved in decision making, then we must make sure that they have the intimate involvement, the ultimate involvement, which is that they work their way up to the board.

The gentleman from Louisiana [Mr. FIELDS] is saying in his amendment that at each of these local housing projects they would have an opportunity to vote. They would have an opportunity to recommend to those who do the appointing, those that they think will serve them well at the board.

You talk about residents in public housing projects who somehow do not seem to understand what happens and the kinds of decisions the management must make. But if you want people to understand the budget and how it works and whether or not they can have revitalized apartments, whether or not they can get new screens on the doors, whether or not they can change the hours that the maintenance crew is doing and what they are not doing, if they can ever get a maintenance crew is doing and what they are doing, and that they are not doing.

The board members do not know that now. They are not out in these housing projects. But I can tell you, the people who live there can tell you what the maintenance crew is doing and what they are not doing, if they can ever get to a board meeting. They are not encouraged to be at the board meetings, they are not wanted at those board meetings, their opinions are not respected. That is why you see some resistance to having them on boards.

It really does not make good sense to say it is all right to have them, maybe one, two or three persons on a large housing authority board, they both deserve representation, and it makes no difference what their size is.

Mr. Chairman, I support this amendment. This is true empowerment. This is true respect for residents. I ask support for the Fields amendment.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the required number of words.

Mr. Chairman, I rise in support of my good friend from Louisiana's amendment. I think we have heard a lot of rhetoric about the fact that we want to provide for local control of local housing authorities, and I can think of nothing more important than making certain that the people that actually live in these projects are provided some say in the direction that the projects are going to take and the kind of management and control that those projects take.

I have understood some of the concerns of my friend from Nebraska [Mr. BERUEUTER] with regard to some of the smaller housing projects that constitute authorities in a rural state, like Nebraska, which is very different than perhaps some of the problems that we face in places like Massachusetts.

In Boston, I found specifically in projects in my own district that there are some very, very large urban projects that would be greatly improved if we get more tenant control and more tenant say in the future of those projects, where how many units, what kinds of units, income mix, and a whole range of other issues could have some input of a tenant.

So I think the overall goal of tenant input is very, very important. I am hopeful we could find ways of working out an agreement on the Fields amendment that will somehow provide for exemptions for those cases such that the gentleman from Nebraska [Mr. BERUEUTER] referred to, where we have very, very small numbers or clusters of units that would not apply, and in fact where this amendment might create a needless burden.

But where this is an appropriate use of an authority's response to the needs of the tenants, I think this could be a very, very useful tool. I would hope that we might be able to find a way of working out some of the concerns that we have.

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Nebraska.

Mr. BERUEUTER. Mr. Chairman, I think the gentleman from Louisiana and myself have reached an agreement that satisfies my concern. He would simply remove the exemptions. But the first part of his amendment, he will provide for at least 25 percent of those housing authorities having over 250 units, whereas the existing bill provides 25 percent.

Now, 25 percent of a five-member board, for example, of the city of Milwaukee. Whenever it calls for an 8- or 10-member board, the Fields amendment would actually increase the number of tenants. That will be controversial for some States. For others, like my own, that has a five-member board, it is the same, one member one way, one member the other way. So there is a possibility of us working out this last sticking point.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, can the gentleman clarify for me why it would be more difficult with the eight-member board versus the five?

Mr. BERUEUTER. Mr. Chairman, the Fields amendment would provide for two members, and in the case of a smaller number of board members it would be only one. So there is the potential for a larger number of people who are tenants to be on the board under the Fields amendment than there is under existing language of the bill. I am not arguing the point. It is not relevant to my State. It is going to be controversial in some States. This is a matter that the gentleman from Nebraska will need to recognize the fact that tenant involvement in these cases is important. Twenty-five percent is twenty-five percent.

Mr. BERUEUTER. Mr. Chairman, if the gentleman will yield further, the bill says that a minimum of one member must be a tenant on a housing authority, but the Fields amendment says at least 25 percent. So, you see, potentially more members would be on the housing authorities than are going to be under the bill, which specifies only one minimum. That is the difference.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, that is precisely what New York [Mr. LAZIO] are going to have to work out.

Mr. BERUEUTER. Mr. Chairman, the gentleman yield?

Mr. KENNEDY of Massachusetts. Mr. Chairman, I rise in support of my friend from New York [Mr. LAZIO] the gentleman from New York [Mr. LAZIO], whether we are close to an agreement on this issue?
(By unanimous consent, Mr. KENNEDY of Massachusetts was allowed to proceed for 30 additional seconds.)

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentleman from New York [Mr. Lazio].

Mr. Lazio of New York. Mr. Chairman, the gentleman from Massachusetts has a question with respect to where we are on the Fields amendment? I would suggest to the gentleman that we continue to have an ongoing problem.

In the bill, we allow for the direct election of tenants onto boards. I have no objection if a local community wants to have 100 percent of the people on the board that are residents. What I do have an objection to is getting back to the model where again one size fits all and Washington knows best. We must use this much money for technical assistance. We must have a 25 percent quota of local residents.

Mr. Chairman. The time of the gentleman from New York [Mr. Lazio] has again expired.

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

Mr. Chairman. The gentleman from Massachusetts [Mr. Kennedy] has again expired.

Mr. Chairman, I yield to the gentleman from New York.

Mr. Lazio of New York. Mr. Chairman, I think that we have a fundamental difference of opinion with respect to the amendment. I tried to meet the objections in terms of having the direct election of a resident to the board and in the manager's amendment that was adopted. Now I think the gentleman from Louisiana [Mr. Fields] would like to go substantially further than that. I think there is a philosophical difference as to whether we should pursue that.

Mr. Chairman. The gentleman from Massachusetts. Mr. Chairman, reclaiming my time, I wonder whether or not the gentleman can find some consistency in saying that the current amendment is that it is a Washington-based solution, where in fact the solution simply says that we ought to have local involvement in the decision-making process? We are saying that 25 percent of the people on the board ought to come from the local area. To try to identify that as a Washington-based solution is kind of bizarre.

Mr. Lazio of New York. Mr. Chairman, if the gentleman will continue to yield my time, I think here is not that we have local participation. As a matter of fact, we spend a page and a half in the manager's amendment speaking to the fact that the housing authorities should integrate into the community and have local involvement. I believe deeply in it. My problem is setting quotas and saying every community should have this as opposed to—

Mr. Chairman. The gentleman from Massachusetts. Mr. Chairman, reclaiming my time, the gentleman from New York has a quota of one. The gentleman has a page and a half of rhetoric and he has one person. What we are trying to say, and what the gentleman from Louisiana is trying to say, is that we have 25 percent of the people, which is not anything close to the ability to carry the day on any vote, but that 25 percent of the people making the decision ought to have some direct impact and people that actually live and have the knowledge about the community in which they reside to make determinations about their particular community.

Mr. Chairman. The opinion is that the gentleman from Louisiana is trying to have all residents, but that should be the local community's decision and not Washington's.

Mr. KENNEDY of Massachusetts. Mr. Chairman, again reclaiming my time, that is the most inverted logic I have ever heard.

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

Mr. Chairman. I rise to support the amendment. The gentleman from Louisiana [Mr. Fields]. Quite frankly, Mr. Chairman, this is family values. Imagine those of us who live in middle-class neighborhoods, we organize into block clubs, we organize into neighborhood organizations, because it is the local residents who have the knowledge about the community in which they reside to make determinations about their particular community.

Mr. Chairman. I am of the opinion that failure of this amendment says to residents across this country that Washington knows better about the neighborhood and the development in which you reside better than you do, and what could be a more paternalistic view of the condition of people in public housing across our country than that?

Mr. Chairman. I yield to the gentleman from California [Ms. Waters] for the purpose of a colloquy.

Ms. Waters. Mr. Chairman, I would like to ask the gentleman if this business of one smacks of tokenism? It sounds familiar, that we will let one in, we will let one on, but we do not want too many if, in fact, we have more than one, they may be being to have a collective voice and challenge some of the decisions.

Mr. Chairman. I wonder if the gentleman thinks that the acccession of the gentleman from New York where he says somehow that the amendment of the gentleman from Louisiana that asks for 25 percent is different than his asking for 1 percent, except that it is more involvement. Could the gentleman from Illinois [Mr. Jackson] expand on that a little bit?

Mr. Chairman. My time has expired.

Mr. Chairman. My time has expired.

Mr. Chairman. I would like to make the argument that this is not about quotas in public housing. Residents have the right to participate in making decisions about where they live, and that is just a fact of life. I make decisions about the condominium that I live in here in Washington, DC. The gentleman from California certainly makes decisions as a member of the condominium committee in the neighborhood in which she lives.

Mr. Chairman. Why should not low income and poor Americans be able to make decisions about the complexes and the developments within which they live? Twenty-five percent, one out of four. What could be more reasonable than an unreasonable number to ask for participation from residents to make some determination about the conditions under which they live.

I might add, Mr. Chairman, the only real change that is actually occurring here is for the very first time the Federal Government is mandating that residents do participate in local housing authorities. Reality is those of us from middle-class neighborhoods have our contracts on the public housing authorities all across our country and, frankly, the residents have had no say.

Ms. Waters. Mr. Chairman, if the gentleman would continue to yield, let me just say that I tried to make the point earlier that if the people are involved, they accept more responsibility. We have a lot of young people in public housing authorities that have no idea how these decisions get made.

Let me give you an example. I can recall in the city of Los Angeles when they would let contracts out for people to come into the public housing authorities and do work. They would contract with folks who would come from all over the extended Los Angeles area to come in and put up screens and to dig and to do all of these things. The people who lived there simply would watch out of their windows while other people come in and make money, take the money, and go home and spend it in another community.

Mr. Chairman, we organized a little bit in some of these public housing authorities and asked the residents: What do you think the policy should be about creating job opportunities where you live? They said, "Ms. Waters, we want to work. We think that the public housing authorities should create job opportunities for those jobs that are being done where we live. Many of these jobs do not even require training. All they have to do is to train them. We want to be trained."

We organized and forced that kind of decision at the board to allow the residents to work in those public housing authorities where they live when the jobs become available. If there were contractors coming in, we developed a public policy where those contractors should have to hire some of the people there.

Mr. Chairman. If they had been sitting on the board where those decisions were being made, they could have told them a long time ago. There are hundreds of decisions like that. We have people in local housing authorities who...
believe there should be some commerce inside the public housing authorities, that they should be able to create some businesses so they can get off of welfare, so that they can work. We will not get that unless we get people working and getting back into the workforce. We are making decisions about how we run those places.

I think in my city and in the city of the gentleman that we have seen a lot of what goes on, and we believe that we can go a long way toward solving some of the problems if we do listen to the people who live there.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana [Mr. FIELDS].

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

Mr. WATT of Louisiana. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the rule, further proceedings on the amendment offered by the gentleman from Louisiana [Mr. FIELDS] will be postponed.

Amendment No. 40 Offered by Mr. WATT of North Carolina

Mr. WATT of North Carolina. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WATT of North Carolina on page 30, line 8, after “determines” that the plan “does not comply with Federal law or”.

Mr. WATT of North Carolina. Mr. Chairman, I will not take 5 minutes, because it is my understanding that the gentleman from New York [Mr. LAZIO], the subcommittee chair, has agreed to the amendment.

Mr. Chairman, we are simply trying to make it clear that when a local housing authority submits its housing plan, the Secretary has the authority to review it in compliance with Federal law, as well as the underlying provisions of this bill.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WATT of North Carolina. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, in the spirit of bipartisan cooperation and reasonableness, I would support the gentleman’s amendment and urge its adoption. I believe this is consistent with the current law, and for that reason I support the gentleman’s amendment.

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

The amendment was agreed to.

Amendment Offered by Mr. Gilchrest

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

The Clerk reads as follows:

Amendment offered by Mr. GILCHREST: On page 30, line 8, insert the following: “Further, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing.”

Mr. GILCHREST. Mr. Chairman, I rise to offer an amendment to section 107, to the section on the crime prevention plan that local housing and management authorities must have to be approved by the Secretary of HUD. The language in my amendment is needed to make sure that the local housing authorities can keep their properties safe and crime-free by invoking local criminal trespass laws. Without this amendment, local housing authorities risk lawsuits from disgruntled evicted criminal tenants, and the entire public housing community is put at risk.

In my district, there is a situation where a Federal judge issued a consent decree as part of a settlement in a lawsuit of former tenants against a local public housing authority. Aided by Legal Aid and the ACLU, the former tenants obtained a settlement that states the housing authority cannot ban evicted tenants or other trouble-some evicted tenants from returning to the property that is now back on the property by HUD. HUD has taken no action. Since 1993, the judge’s decree and HUD’s inaction leave the authority unable to assure a safe, secure community.

Mr. Chairman, other housing authorities use notice of trespass with success in keeping evicted tenants and known drug criminals out of public housing, but because HUD is silent, St. Michael’s Housing Authority in my district cannot use local trespass laws to provide a safe environment for all other law-abiding, lease-abiding tenants.

Mr. Chairman, the bill before us this evening brings historic reforms that will strengthen the management of local housing authorities and give public housing residents more incentives to take care of their communities. Does it not seem reasonable, then, that to carry out HUD’s “one strike and you are out policy,” local housing and management authorities must use local trespass laws to keep out those evicted tenants who have struck out?

The Federal judge’s ruling in this settlement weakens the ability of St. Michael’s Housing Authority to keep evicted or convicted criminals out. I am told that other housing directors have used such notice and credit it with eliminating drug problems.

The situation described is unfortunate and another example of why reforms of HUD’s management of public housing are needed. By adopting this amendment we will make sure housing authorities have the tools they need to keep evicted tenants out.

The intent of the public housing reforms is to help assure safe communities, and in keeping with this intent, HUD should require housing authorities to do their best to assure that those persons who are ineligible for public housing do not return to disrupt public housing communities. Let’s finish the job by allowing authorities to keep evicted tenants. I urge my colleagues to adopt the amendment.

Mr. Chairman, one example of what has been particularly housing development as a result of this court ruling and this court decree, in order to get an evicted tenant evicted from the premises of this particular housing project, a tenant, not the housing manager or housing authority, a tenant must write a letter to the Housing Authority that was evicted that is now trespassing.

Can my colleagues imagine a 70-year-old woman writing a letter to someone that was evicted because of drug abuse that is now back on the property before any action is taken?

Mr. Chairman, I strongly urge adoption of this amendment.

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

Mr. Chairman, the case of the gentleman from Maryland [Mr. GILCHREST] makes seems to make some sense. It is not clear to me that any of us support this amendment. I do not know what kinds of legal problems or anything else that this might create, that the actual language he has written here might create, but we would be happy to work with the gentleman and the conference committee, if we pass this amendment this evening, to incorporate the gentleman’s concerns.

Mr. Chairman, everybody wants to make certain that we keep public housing safe and secure for residents. No one wants to have evicted tenants or criminals abusing existing tenants, and we will try to work with Members to make sure that the concerns of Members and their constituents are met.

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

Mr. KENNEDY of Massachusetts. I yield to the gentleman from Maryland.

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

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

Mr. Chairman, I want to rise in support of the amendment of the gentleman from Maryland. It is an amendment that is important in terms of the quality of life for people in public housing. It is a truism that people in public housing do not have the same protections as people in the rest of the marketplace. That is unfair.

Mr. Chairman, the gentleman from Maryland seeks to impose or create an equity where people will not be able to harass residents in public housing. He illustrates that through the use of his local community. I am in support of that. I think it is the right thing to do.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. GILCHREST].
Mr. CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. Maloney:
Page 37, line 25, strike “Notwithstanding the preceding sentence, pet” and insert the following:

(b) Federally assisted rental housing for the elderly or disabled—Pet
Page 38, after line 5, insert the following new subsection:

(c) Elderly Families in Public and Assisted Housing—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371) subject to the reasonable requirements of local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

Mrs. Maloney. Mr. Chairman, on behalf of myself and my friend and colleague, Representative Susan Molinari from New York, I am offering an amendment to the housing bill. As my colleagues know, Representative Susan Molinari is at home right now, expecting the birth of her first child at any moment. Although I would have liked very much to have her join me tonight on the floor, I want to take this opportunity to offer my congratulations to Susan and Bill Paxton on the birth of their first child.

Mr. Chairman, under current Federal law, senior citizens living in federally assisted senior designated housing have a right to own a pet. This 12-year-old policy has worked and it has worked very well.

But tragically for most seniors, senior designated housing makes up only 10 percent of all Federal housing. In many places, specially designated senior housing is not available due to long, long waiting lists. Seniors, therefore, who live in Federal housing are forced to give up their pets. Studies have shown again and again the physical and mental health benefits of pet ownership. When the original policy was passed in 1983, a number of public housing authorities expressed concern that pets would damage dwellings and harm other residents. According to HUD, these concerns have not been borne out. Furthermore, numerous studies have shown us that pets in public housing present little trouble and that the benefits of pet ownership far outweigh any pitfalls.

Mr. Chairman, many studies back up the lack of problems. For example, a University of California study of the 1983 law reported that 84 percent of local housing authorities who have dealt with the 1983 law allowing pets reported either positive effects or no noticeable changes.

The Massachusetts Committee on Housing found that seniors proved themselves to be responsible pet owners in every way. Our amendment provides a simple way to dramatically improve the lives of millions of our growing senior community. Most studies have found that senior citizens and people with disabilities who have pets, live longer, go to the doctor less often, recover more quickly from illnesses, and have more positive outlooks than those who do not have pets.

For older persons, isolated by widowhood or declining health, pets provide companionship.

The National Institutes of Health conclude that pets are medically beneficial to people’s health. The bond between people and their pets predate recorded history. My amendment ensures that we will not deny this incredible bond to hundreds of thousands of senior citizens.

With 3.7 million Federal housing units still prohibiting seniors from keeping their pets, the need for this amendment is great. As people grow older, they often taste the loss of family and home. It is inhuman to take away someone’s companion at a time when they need their unconditional love the most, when they face a fixed income and the need for public housing.

Mr. Chairman, this amendment removes the unfair distinction between seniors-only housing and other public housing in a responsible manner.

The amendment allows the housing authorities to write effective, comprehensive regulations appropriate to their own dwellings, which ensure tenant and landlord compliance while maintaining decent, safe, and sanitary housing.

Finally, Mr. Chairman, this amendment is a vision that would say we ought to put out the kitty litter boxes and how often they ought to be changed. Another vision would be that local communities ought to make those decisions, that they know best, that we do not get involved in these micromanagement decisions.

We are living in a fantasy land, my colleagues, if we believe that every place in America, the public housing throughout America is the same as America in some of our communities. There are wide differences over here.

This defines two different visions of what we are doing over here. One vision is a vision that would say we ought to regulate how often people ought to put out the kitty litter boxes and how often they ought to be changed. Another vision would be that local communities ought to make those decisions, that they know best, that we do not get involved in these micromanagement decisions.

We are living in a fantasy land, my colleagues, if we believe that every place in America, the public housing throughout America is the same as America in some of our communities. There are wide differences over here. There are huge challenges in terms of management. This issue, introducing
Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisition and insist on this.

Mr. Chairman, I cannot forebear commenting on the pattern that we are hearing from the chairman. In the first place, he gives the same speech on every amendment. I would suspect that his mind is not what the specifics are not what they might be. He talks about one size fits all. We have one speech fits all.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from New York, unlike the gentleman who would not yield to me any of the times I asked him this evening.

Mr. LAZIO of New York. Mr. Chairman, I would be happy to debate any particular section of this bill, if the gentleman wants to talk about the merits of it or the particulars. I know his comments. He often relishes being condescending and insulting. I appreciate that. But let me explain to the gentleman, I am fully prepared to discuss two different visions of where we think public housing and assisted housing needs to go in this country. If the gentleman wants to defend the failure of 40 years under his party’s control, I am happy to engage the gentleman.

Mr. FRANK of Massachusetts. Mr. Chairman, reclaiming my time, the gentleman has illustrated it again. We get the same speech.

Mr. LAZIO of New York. Mr. Chairman, left the floor before, he talks about 40 years of control. It was the Reagan budget, known as the Gramm-Latta bill, which amended the Brooke amendment in the way the gentleman objected to. The gentleman said that the Brooke amendment, which was a Republican proposal to limit the amount of rents that could be charged, became a job killer because it also became a floor. That was done under Gramm-Latta, under the gentleman.

I have asked the gentleman to explain to me how that is the fault of the Democrats. Would he explain to me, I will be glad to yield to him, how was the fact that the Reagan budget of 1981 turned the Brooke amendment from a tenant protection to a job killer the fault of the Democrats? I would be glad to yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, let me respond to that. For the last 10 years or 12 years—

Mr. FRANK of Massachusetts. No, excuse me. I know the gentleman was talking to somebody.

Mr. LAZIO of New York. I want to tell you about the facts.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman please abide by the rules?

The last 10 years cannot be relevant to my question about 1981. We are talking about 1981. In 1981, under the Reagan domination of this House, Gramm-Latta amended the Brooke amendment to make it what the gentleman objected to. How was that the fault of the Democrats, when it was Gramm-Latta that did it in 1981?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman will continue to yield, last year, 1981, the Democrats had a Democratic speaker up there. They controlled this House. This is the typical response of denial that there is any responsibility for all of the efforts that led to the position we are in right now.

Since 1981, for the last 15 years, for 13 of the 15 years, the Democrats have had a majority in this House. They have known that the Brooke amendment has been a disincentive to work. They have done nothing about it. Just like one for one, Federal preferences—

Mr. LAZIO of New York. Mr. Chairman, I cannot forebear commenting on the pattern that we are hearing from the chairman. In the first place, he gives the same speech on every amendment. I would suspect that his mind is not what the specifics are not what they might be. He talks about one size fits all. We have one speech fits all.

Mr. FRANK of Massachusetts. Reclaiming my time, I am only talking about the Brooke amendment now. I would make a couple of points. The gentleman from New York’s argument that during 1981, when Gramm-Latta passed with Ronald Reagan’s first year of the presidency, it was a Democrat, the Democrats controlling the agenda, illustrates how at variance he is with the facts.

Second, we were talking about Republican control of the Senate for all of those periods when we could not get legislation through that was not agreed to by both.

We also had a Republican President whose staff these bad to have on the legislation. This is an example of the kind of distortion we are talking about, and again the notion, and, by the way, during this whole period when I got here in 1981, the Republicans controlled the Senate, the Republicans controlled the Senate, the Republicans controlled the President from 1981 through 1986, but according to the gentleman from New York they have no responsibility.

But I also want to talk about the substantive pattern here, and the substantive pattern here is for all the talk about empowerment, let us give the housing authorities more control over the lives of the tenants.

When the gentleman from Louisiana wanted to expand tenant rights, no, no, that is no good.

The gentlewoman from New York and her colleague, the other gentleman from New York, want to protect tenant rights, regarding pet ownership; no, no, no, cannot interfere with the authorities.

Indeed the gentleman from New York says we are going to empower the tenants by letting the housing authorities raise their rents without limits. This is the gentleman from New York’s answer about empowerment because in fact what he said was, and this one I am still trying to understand and I will yield him to explain this to me; the gentleman said that if we put a 30 percent cap on what tenants can be charged, that would be bad for the tenants who were working because then the authority would go up to the 30 percent, and the way to prevent the authority from going up to a 30 percent cap to say with the authority there is no cap at all.

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

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, the gentlewoman from New York, want to protect tenants’ rights regarding pet ownership, no, no, no, we cannot interfere with the authorities.
can use whatever formula and rules they want, but they cannot go above 30 percent.

And the gentleman is going to protect tenants by not letting them have pets, he would protect tenants by not having more of them on the authority and he would protect tenants in the most bizarre logic of all by allowing the housing authorities to raise the rents without limit. We are not talking about mandating 30 percent as the basis. We are saying whatever basis they have it moved for working people go above 30 percent.

The gentleman’s amendment says welfare recipients cannot go above 30 percent, but working people, there is no limit.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. I wonder if the gentleman can agree to a compromise when we apply Brooke to the pet amendment so 30 percent of the people could have pets?

Mr. FRANK of Massachusetts. Mr. Chairman, I would expect more in the gentleman’s logic that we would agree, to expose that people could keep 30 percent of their pets; that would be more in line with the kind of thinking the gentleman has had.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the requisite number of words. I am glad we can get back to the Ace Ventura amendment here.

The truth is that if we get back to what the purposes of the amendment offered by the gentlewoman from New York [Mrs. MALONEY], it is in fact, and states quite clearly, that this provides the local housing authority with the capability of deciding on their own whether or not the pets ought to be allowed. To try to suggest that this is some formula that is going to Washington for decision making is a bizarre twist of what Mrs. MALONEY’s amendment says. Mrs. MALONEY’s amendment allows this decision to be made locally, and that is what we are trying to do here.

As my colleagues know, every time somebody stands up and makes an amendment, we have an amendment to say 25 percent of the decisions here ought to be made by people within the 25 percent of the people on the board ought to come from local housing authority. Oh, no, that is Washington-based. The gentlewoman from New York [Mrs. MALONEY] offers an amendment that allows the decision to be made by the local housing authority and, oh, no, that is a Washington-based decision, and someone or another we are getting packs of pit bulls in these housing authorities as a result of having elderly people allowed to be able to have pets.

I just do not understand where the chairman is coming from when we are trying to simply allow what is already currently allowed in many, many housing authorities throughout the country.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. The gentleman correctly states the intent of the gentlewoman from New York [Mrs. MALONEY] that local housing authorities will be able to determine whether pets will be allowed. I find that perfectly acceptable. That is exactly what I am arguing for, local control.

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, the bill allows local housing authorities to come forward with the rules and regulations. The one thing that they cannot do is say absolutely under no circumstances can a senior citizen or a disabled person have a fine, quiet pet.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY of Massachusetts. I yield to the gentleman from New York. Mr. LAZIO of New York. The gentleman therein lies the problem. I agree. Local authorities have to decide whether pets should be allowed or not, depending on their particular circumstances, but we are not suggesting this in this amendment. We are suggesting in this amendment they must do it.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Currently, as my dear friend from New York knows, the Federal law allows seniors to have pets in federally designated senior housing and housing for the disabled. This merely extends that right to seniors and the disabled in regular housing projects, and allows local housing authorities to come forward with their own commonsense rules and regulations.

Mr. KENNEDY of Massachusetts. Reclaiming my time, I would ask the chairman of the Committee on Banking and Financial Services if, given the fact that he is now stating, as I understand, that he is not opposed to letting local housing authorities have the decision about whether or not pets should be allowed, and recognizing that the amendment offered by the gentlewoman from New York [Mrs. MALONEY] in fact provided that decision to be made in conjunction with the local housing authority, the local housing authority would have to establish the rules and regulations by which pets would be allowed within any housing project. I would think that we are close enough that if we huddle together for a few minutes, we might be able to work out some language that would allow the plan to be utilized at the local level to enable people to have pets if they want.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. Mr. Chairman, completely protective in our bill in preserving the right of seniors to have pets in senior-only housing, I am also supportive of allowing local housing authorities to determine, based on their own particular local circumstances, whether it makes sense to have pets in mixed populations where seniors may want pets. I have no problem with that.

I would be glad to try and work that out as long as we understand that it is my principle and my intent to retain local control on the decisionmaking.

Mr. KENNEDY of Massachusetts. Who does the gentleman not want to have pets?

Mr. LAZIO of New York. If the gentleman from Massachusetts will yield back, I do not want to make that decision at all. I want the local community to make that decision.

Mr. KENNEDY of Massachusetts. I believe, Mr. Chairman, that that is all the intent of the amendment offered by the gentlewoman from New York [Mrs. MALONEY].

Mr. LAZIO of New York. If the gentleman would yield, Mr. Chairman, that is the gentlewoman’s intent and she is willing to make the corrections. I would be happy to work with her. But the bill as currently constituted would suggest that every housing authority—

Mr. KENNEDY of Massachusetts. Hang on.

Mr. Chairman, I yield to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, it would require every housing authority to allow pets for seniors and the disabled in all Federal housing, not just senior-designated, but it also allows the local housing authority to come forward with their own commonsense rules and regulations.

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

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

Mr. KENNEDY of Massachusetts. Let us see if we can work it out.

Mrs. MALONEY. Legislating on the floor.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. I say to the gentleman the problem is that you will have a situation in some areas where one person in a particular public housing hall will be allowed to have a pet. The person next door will not be allowed to have a pet. We want to make sure that public housing authorities have the discretion.

Mr. KENNEDY of Massachusetts. Reclaiming my time. Mr. Chairman, I do not think that the gentleman’s faith in
Mr. Chairman, I would ask the gentleman from Massachusetts [Mr. KENNEDY] if he would yield to the gentleman from New York [Mr. LAZIO].

Mr. KENNEDY of Massachusetts. Mr. Chairman, I yield to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. No, no, that is not optional, because that is a matter of trying to transition people back into the work force.

Mr. FRANK of Massachusetts. So, in other words, Washington knows best on that, and that is the one size fits all. That is a fair point that ought to be made explicit.

Mr. LAZIO of New York. One vision is that we should be worried about how many more animals would be allowed in public housing halls, and another vision is, which is my vision, is how do we——

Mr. FRANK of Massachusetts. That is not my argument. The gentleman shifts from substance to this, “Oh, no, it is not up to us.” It is up to us. I think I understand the principle. It is up to us when we want it to be up to us and it is not up to us when we do not want it to be up to us.

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

Mr. Chairman, as my colleagues know, I have been taking a look at this amendment and I was wondering, the gentleman who is offering the amendment, I do not want to be accused of being against dogs and cats and pets. Being opposed to liberals is enough.

But let me ask my colleagues this: Is pet defined in this amendment?

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. ROTH. Mr. Chairman, I move to the gentleman from New York.

Mrs. MALONEY. Mr. Chairman, my amendment only allows common household pets. It does not include exotic animals, reptiles or dangerous or menacing animals, but common household pets.

Mr. ROTH. How about a pit bull that does not bite?

Mrs. MALONEY. Mr. Chairman, it would depend on the regulations of the housing authority. Most housing authorities remove dogs, if I may explain the definition.

Mr. ROTH. How about snakes? Now, snakes do not make a lot of noise, and in Florida many people have snakes.

How about alligators? Alligators do not make a lot of noise, but some people in Florida have little pet alligators.

This amendment is absolutely ridiculous. This is an idiotic amendment. I have never seen anything as crazy as this.

As my colleagues know, I opened this file today on this amendment, and what pops out is the regulations from HUD.

Now we are paying billions of dollars as taxpayers. That is why American people are opposed to what is going on in Washington.

Mr. WILSON. Mr. Chairman, I yield to the gentleman from New York.

Mrs. MALONEY. Mr. Chairman, I would ask the gentleman if he would yield to the gentleman from Long Island.

They have got 20 pages on cat litter. Think about it.

Look at this. I just want to read one sentence to my colleague:

In the case of cats and other pets using litter boxes the pet rules may require the pet owners to change the litter not more than twice each week, may require pet owners to separate pet waste from litter but not more than once a day, and may prescribe methods for the disposal of pet and used litter.

Twenty pages, and we are paying bureaucrats to draft this stuff?

At quarter to 9 at night we are debating whether you can have a pit bull in your apartment, come on; or whether a snake makes noise? And we do not know whether we can have an alligator as a pet?

Mr. Chairman, let us vote this turkey down.

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

Mr. Chairman, we all come from different districts. We all represent different kinds of folks. But in my district, which is pure working-class in which there is a limited amount of public housing, the very idea that anyone, particularly a senior citizen, would have to dispose of a beloved dog or a cat in order to live in the center would be looked upon with total disbelief. It lacks compassion, it lacks sensitivity, it lack everything that I think we believe in.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I just want to point out to the gentleman, and I appreciate him yielding, that in fact seniors who would like to have pets have many different vehicles they need assistance housing. They can use vouchers, they can use certificates, they can go into senior housing that allows pets. Getting into a situation where some parts of the population in a particular housing development can have pets and some cannot, in a particularly distressed environment, makes no sense to me.

I thank the gentleman.

Mr. WILSON. But, of course, the chairman of the committee knows that they represent only 10 percent of the housing, and that there is a waiting list of those people. The matter of fact is, and we would not be discussing this in the first place, but the matter of fact is that it is going to force people to dispose of pets. That is just absolutely crazy.

In east Texas, to tell somebody that because they are forced into public housing that they are going to have to get rid of their puppy, is just nuts.

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. WILSON. I yield to the gentlewoman from New York.

Mrs. MALONEY. Mr. Chairman, in fact, the 1983 law still does not cover
Mr. BEREUTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would say first of all to my colleague, the gentleman from Texas, there is nothing in the bill that relates to pets. This bill is silent on the subject of pets. The debate here has been about whether or not we require housing authorities to accept pets. I think we have heard the expression of the chairman of the committee. He is quite willing to leave that authority to the housing authorities themselves, whether or not under what conditions they want to have pets.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I just want to emphasize again that we are preserving current law, so people who have pets, seniors who have pets now in public housing and in all senior developments, will be allowed to keep their pets. Nobody is saying to anybody that they have to dispose of their pets if they are already in public housing. What we are saying is that by extending this into a development where some people can have pets in a particular building, but some people cannot, is going to create enormous tension. It creates a huge mandate on public housing authorities who are worrying desperately about how to transfer back to work, how to keep families together, how to take care of the basic elements of quality of life without introducing or compounding the problems for housing authorities in terms of the management of those particular buildings that are under stress.

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

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York. This amendment ensures that any elderly or disabled person in federally assisted housing, even federally assisted housing that is not specifically senior citizen housing, can have a pet. This is important for all the obvious reasons, which I will not repeat; but in addition we know, based upon scientific research, that older people with pets live longer, go to the doctor less often, and recover more quickly from illnesses. The lives of elderly and disabled persons, people in New York City and in the rest of the country, would be dramatically improved by this amendment.

Mr. Chairman, I heard a lot of nonsensical arguments tonight on this amendment. Let me address a few of them. We have heard, What about snakes, what about reptiles? This amendment refers to common household pets. It allows almost complete regulation by the local housing authority, other than saying, “not under any circumstances.”

We have heard, Mr. Chairman, the particularly hypocritical argument about Washington knows best. Let me particularly address the chairman of the subcommittee on this point.

Let me particularly address the chairman of the subcommittee on this point, because he got up a few minutes ago and said that this amendment says that we are going to say we are going to force the housing authorities to institute these personal improvement plans to say Washington knows best in this instance? What are we saying that Washington knows best about, what policy judgment? It is our job to make policy judgments.

We are saying that Washington knows best that senior citizens, disabled people, are entitled to have common household pets if they want to. If the local housing authority wants to limit that in various ways, it is its local decision. We will make the one policy that they cannot say “not under any circumstances.” We have made that policy decision, by the way, in the Hoa House bill, if the local housing authorities or disabled or their pets, that we have gangs running through the projects. Not the pets of senior citizens, they are not the gangs. They are not committing murder and mayhem. I doubt that.

Mr. WILSON. Reclaiming the balance of my time, Mr. Chairman, I have many friends on the majority side, and I have many friends on the majority side. To my friends on the majority side, particularly those that are from rural districts, and especially those that are from rural southern districts, I would advise extreme caution on this vote.

Mr. BEREUTER. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. NADLER. Mr. Chairman, let us not hear as an argument that Washington should not try to dictate to the local governments; because sometimes we do in this very bill. Sometimes we do. The question is, is it appropriate, and why is it inappropriate or appropriate?

Mrs. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New York.

Mrs. MALONEY. Mr. Chairman, I would just like to add to my colleague’s statement that this is a very bipartisan effort. The lead sponsor is from New York, SUSAN MOLINARI. We have 57 Republican cosponsors, and 63 Democrats cosponsors. It has been very much a bipartisan effort.
Mr. NADLER. Reclaiming my time, Mr. Chairman, I am glad to see that the sentiment that sometimes we ought to make decisions here and not leave everything to local government is more or less equally shared on both sides of the aisle.

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

Mr. Chairman, I yield to the gentleman from New York [Mr. LAZIO], who was the sponsor of this bill.

Mr. LAZIO of New York. Mr. Chairman, the gentleman from New York just said we judge. We judge, we make the judgments, but we do not live with the consequences of those judgments. We can send out a press release and think we have done something very important. We can take care of a political constituency. But who is watching out for the people in public housing? Obviously, nobody, for the people living in 200,000 units that are supervised by some ad hoc dysfunctional corrupt housing authorities. Which housing authority is it that we believe will be responsible for giving the money to those communities, but we are going to bypass these dysfunctional corrupt housing authorities and give the money to the people in the communities that are really making a difference: the community development corporations, the not-for-profits, the resident management groups, the people with firsthand experience who are innovating, who are doing a good job. We are not going to keep giving money to these corrupt housing authorities. That is the difference with this bill on the floor and what has been done over the last 30 years of tolerance of failure. We are going to expect excellence and demand excellence.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to put a face on what has been a very charged debate, and I want to thank the gentleman from New York for his wisdom, and the collective body of members of the committee for seeing the wisdom in recognizing the value of giving human dignity to seniors and the disabled.

There are good housing authorities and there are bad housing authorities. In Houston we have a housing authority that has promoted activities for youth, training, allowed residents to participate in certain instance. On the other hand, we cannot say that all decisions of housing authorities across this Nation are the right decisions. They do not sit as some royal decisionmaker that cannot be challenged.

The face I would like to put on this amendment is that of Eileen Hobbs in the Allen Parkway Village. I visited Miss Hobbs just about a week or so ago, living in conditions that would warrant improvement, homebound and in a wheelchair, with two dogs, her friends, her doggies, if you would call it, her companions, and yet intimidated that she might not be able to keep those long-lasting friends who she said have kept her alive, pure and simple, because there would be those in the housing authority who would determine that she might not be able to keep these long-lasting companions.

Someone who lives their life alone and has the opportunity to interact with the kind of companion that an animal may give them, that some of us may not understand. Why should we make those who live in public housing second-class citizens? Mr. Chairman, I yield to the gentleman.

Mr. WILSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendment.

I have been listening to the debate in my office on C-SPAN, and I was not going to speak, but I am a cosponsor of the amendment. I am a Republican. I consider myself to be a conservative.

I had a grandmother who lived in public housing. She passed away several years ago at the age of 95. There were four units in her housing complex in a small town in central Texas. I do not know if it was a local regulation or a federal regulation, but she was not allowed to have a pet, and I think she should have been allowed to.

The gentlewoman from New York [SUSAN MOLINARI], is the chief sponsor on this amendment with the gentleman who has been debating it on the floor on the Democratic side, and I hope that we do pass it.

I want our colleagues to know that this is a bipartisan issue. It crosses party lines, and at least one person on the other side who is in favor of this amendment is going to vote for it and speak for it. Hopefully we will allow those senior citizens who want to have pets to let the local housing authority allow them to have pets.

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

Mr. BARTON of Texas. I yield to the gentleman from Texas.
Mr. LAZIO of New York. If the gentleman will yield further, if the housing authority, as is the case for many housing authorities, is chronically dysfunctional, ends up getting defunded, what happens is HUD is required to bid out the work that is done by this dysfunctional housing authority, allow management groups, resident management groups, and not-for-profits or for-profits to do the work the housing authorities were previously supposed to be doing but were not doing.

Mr. NADLER. So in other words, in those areas where there are dysfunctional or incompetent housing authorities, no public agency would make the decision. It would be left up to some private agency. There would not be any public policy body in either the local housing authority, which you have defunded, nor the Congress nor HUD.

Mr. LAZIO of New York. Mr. Chairman, that is not a decision that will be made here in Crockett and in Normangee, but the decision made on various applications. Mr. NADLER. Made by whom?

Mr. LAZIO of New York. HUD. HUD will decide who is exactly awarded contracts to do the work that the housing authorities was supposed to do, or the not-for-profit or for-profit.

Mr. NADLER. The decision will be made here in Washington by HUD. Mr. LAZIO of New York. No. If the gentleman will yield, the decision ultimately, under what I am suggesting, will be made by the local housing authority itself or the successor to the housing authority, as opposed to mandating it.

Mr. NADLER. As I understand what the gentleman is saying, if you have a functioning housing authority, they will make the decision. But with respect to my question where you do not have a functioning housing authority, HUD will decide on who is actually going to manage it or a private agency will make the decision.

Mr. LAZIO of New York. If the gentleman would yield, once again it does not have to be private. It could be a not-for-profit, it could be a management resident group, it could be a public entity. It cannot be the same mismanaged, dysfunctional housing authority. They are not going to get the money anymore.

Mr. NADLER. It would not be the dysfunctional housing authority but we would not make the decision. Let me simply submit that this whole dialogue or colloquy is a good argument why in this instance on the basic policy question, not the details which we can leave to the locals but on the basic policy that senior citizens and disabled people should not be denied pets in public housing, that we are entitled and we should utilize this opportunity to make this decision by adopting the gentlewoman’s amendment.

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

Mr. Chairman, I have been listening with great curiosity, intensity to this debate. We are saying that we are passing this bill and we are bringing this legislation in order to give control to the local housing authorities and to get Washington out of the business of running public housing. That is aargument time and time again. But those are the very people that we say we have to take control away from because they are so corrupt and inept in providing the services, but we are giving them more power so they can correct the corruption and ineptness of everything that they do.

Then they say, well, if they do not start behaving and they do not start providing quality, affordable housing, then what we are going to do is we are going to bring in Washington, DC. We are going to bring in HUD to take them over. I thought we were getting out of the business of managing the local housing authorities and giving them more control, but the terms do not abide by whatever standards or rules that we are going to impose upon them, then of course HUD takes over.

The last time I checked, HUD was a Federal agency, unless my friends on the other side of the aisle have eliminated it. So HUD then comes and takes over. But then we are expected to believe, if we listen to the chairman, that what is going to happen is that HUD, the Federal Government, who we want to get out of the business, is going to go in there and correct the problem. Because HUD has then got to go in there and correct the problem and make sure that they can find people to provide the services that the local housing authority was not able to provide, if they do not abide by the rules.

I do now know whether we are in the business or trying to get out of the business or we are back in the business again. But it seems to me that we have to stop using this idiotic kind of argument that what we are doing here is empowering local governments and localities, because if that was the truth, and I just brought down because I think that this is very interesting, section (b), page 9, the tenant self-sufficiency contract:

Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing... The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family.

Now we are going to get the public housing authority to sit down with each and every family, and be their social worker and sit down with them, but we are not going to provide day care. And if they say, “You know, if I only had a raise in the minimum wage, I will be able to do better and reach self-sufficiency,” we are not going to do anything about that.

Then it says kinds of, well, if they have a problem related to education, projects in Crockett and in Normangee and Lufkin and in Tyrahvale and in Huntington. I just want to compliment the gentleman on his remarks and his judgment.

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman, and I want to be in favor of it.

Mr. J ACKSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the distinguished gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I have one simple question to ask the distinguished chairman of the subcommittee, if he is here. The question I have is the following:

The gentleman spoke eloquently a few minutes ago about dysfunctional housing authorities that are not fulfilling their functions, wasting money, hurting people, et cetera. You are going to bypass local housing authorities in this bill and you are going to give money directly through tenant vouchers, et cetera. My question is simply this. In terms of this amendment, where you say you want to let local housing authorities make this decision, but you do not mandate the decision, we are going to bypass these housing authorities because they are incompetent, who will make the decision as to whether we should allow senior citizens and disabled people to have pets, the nonexistent local housing authorities or the dysfunctional housing authorities?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. J ACKSON of Illinois. I yield to the gentleman from New York.

Mr. LAZIO of New York. The dysfunctional housing authorities would effectually be defunded under the plan that we have before us. Those that are highly functioning will be given the flexibility that they all request and all deserve.

Mr. NADLER. Mr. Chairman, we have heard that before. I am asking a question you are not answering. In those districts where you are defunding the local housing authority, where there are bad and dysfunctional and horrible housing authorities, if a senior citizen, a disabled person in a housing project in that area wants to have a pet, who will make that decision whether it is okay or not?

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would continue to yield, the way this bill operated, which is not the way it has operated, gave discretion to the housing authority. The individual vendor that controlled the management of the units would make the call, if they were operating successfully, in conjunction with an evaluation effectively by HUD.

Mr. NADLER. Mr. Chairman, if the gentleman will yield, I thought the gentleman from New York just said there was no functioning housing authority there, in which case, who would make the decision?
Mr. FIELDS of Louisiana. A parking ticket yesterday, I am a convicted criminal. If I got a ticket in Washington, DC, I cannot serve on a board. Yes or no, is that not correct?

Mr. LAZIO of New York. The gentleman misstates the law. Parking tickets are not a misdemeanor.

Mr. FIELDS of Louisiana. A parking ticket is a misdemeanor. What about if I got a traffic ticket? What about jaywalking? Then you take a 5-year period.

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misdemeanor in the past 5 years? I would ask the question to the Members of this Congress, how many of us would be able to qualify to run for office if we could not run if we were convicted of a traffic ticket in a 5-year period?

Mr. FRANK of New York. Mr. Chairman, if the gentleman will yield further, I do not mean to be condescending at all, but there are two classes of crimes, felonies and misdemeanors. There is another class of offenses that go by a variety of names, including lesser offenses in different States call them different names, but they are not crimes. A misdemeanor is a higher level of crime. It is something that you go to jail for. It is not a parking ticket, it is not a traffic infraction, it is not jaywalking. It is none of those things.

Mr. FIELDS of Louisiana. Mr. Chairman, reclaiming my time, I would think the gentleman would think about this overnight, because tomorrow I am going to try to take this out of this bill and I would hope the gentleman would agree with me, it makes no sense whatsoever to penalize a person who lives in public housing to the extent they cannot serve on a board simply because they got a ticket for jaywalking or parking.

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

Mr. Chairman, I would hope we could move toward a vote here. I think a lot of people in the Chamber would hope we could move toward a vote. I would urge the gentleman from New York [Mr. LAZIO] to maybe take the request of the gentleman from Louisiana [Mr. FIELDS] and reconsideration of the misdemeanor issue. He has got a number of other issues that we are going to have to work on between now and tomorrow morning, and maybe we can all get together and try to work out some of the concerns that he has, and maybe we can see if we can urge all the Members to allow us to get to the vote on the three issues. I assume this will have a recorded vote. We can then get on to the Brooke amendment that the gentleman from Massachusetts [Mr. FRANK] is going to try to protect.

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

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

Mr. LAZIO of New York. Mr. Chairman, I would be happy to continue an ongoing discussion with any and all Members of the minority to try to resolve some of the concerns, as I tried to do throughout the process. So we will keep talking to see if there is some way we can resolve our difference.

Mr. KENNEDY of Massachusetts. Mr. Chairman, reclaiming my time, I would urge a vote on the Maloney amendment, and hope we can get to it very, very shortly.

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

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

Mr. EHLERS. Mr. Chairman, just a few words in response to some of the things that have been said. I am well aware of the data saying that ownership of a pet can be helpful, and that is an important factor. I also recognize that this has been a partisan debate, and I cannot imagine why this should be a partisan issue, debating pet ownership.

But I also want to respond to someone who raised the point earlier and wanted to bring a human face to the issue and talked about a person who is having difficulty getting a pet in public housing. I would also like to put a human face on this debate, and that face is mine.

I happen to have intense allergies to animals, particularly dogs, cats and horses. I cannot be in a home that has a dog or a cat, even if they are absent from the premises, for more than a half hour at a time.

When I first read that pets were being introduced into nursing homes and rest homes, I had an involuntary shudder. I thought if that happens and it appears in all nursing homes and rest homes, I was not able to go to one. When we talk about public housing, we should be aware that there are lot of people who have allergies.

Now, I have never talked about my handicap before. It was enough of a handicap that I never went to school until I was college age. I had to be in my home, because I invariably got sick when I went to school, so I was home schooled, not by choice, but out of necessity.

I think I have always felt that handicap is my problem, it is not someone else's problem. So if I am near someone smoking, I do not ask them to put out their cigarette, I move away. It is my problem.

But if you are talking about a public housing situation, I think we have to be extremely careful about offering amendments or adopting amendments that will restrict the ability of local governments to deal with people who have handicaps. And I think there are many, perhaps not as severe as mine, but there are many who have them.

So I advocate a voice of reason on this matter and simply say, why not allow the local authorities to make the decision? Why not allow them to designate a particular building to be pet-free, or a wing to be pet-free, things of that sort, rather than adopting an amendment that says thou shalt admit those who have pets.

So I am asking for some reason, some consideration, some thoughtfulness on this amendment, rather than prescribing precisely what they have to do.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EHLERS. Mr. Chairman, I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. I thank the gentleman for his very sincere comments, and I offered a human face. The gentleman has offered a human face. Seeing this 82-year-old lady crying about her companions that she had had for years, I think there are two sides to the story of allowing pets.

Mr. EHLERS. Mr. Chairman, reclaiming my time, that sounds like a good alternative, but, unfortunately, it does not work. With anyone with high sensitivity and today's modern ventilation system, which circulates air throughout all rooms in all apartments in a wing or building, it simply does not work. I cannot live in the same building with someone who has a pet. Whenever I find an apartment, as I do here, I immediately ask whether the entire building is pet-free.

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

Mr. Chairman, I am surprised my friends are not barking. I have been fascinated by the debate, too. What strikes me is the fact that this is a very interesting and important discussion, but it is about fundamental differences in philosophy, because I know of no one on our side who does not want elderly people who live in public housing or elsewhere to have a pet if they want a pet. And then, they would end up with pages of regulations telling folks how to take care of their pet. Twenty pages of regulations that trial lawyers can then use to take on public housing authorities or take on owners of buildings or whatever, take on the owners of the pets.

I think there are two sides to this story. I appreciate the gentleman's offering, but we face the same uphill battle when one would have local control who say absolutely not, even without the kind of conditions.

Mr. EHLERS. Mr. Chairman, reclaiming my time, that sounds like a good alternative, but, unfortunately, it does not work. With anyone with high sensitivity and today's modern ventilation system, which circulates air throughout all rooms in all apartments in a wing or building, it simply does not work. I cannot live in the same building with someone who has a pet. Whenever I find an apartment, as I do here, I immediately ask whether the entire building is pet-free.

I mean those are things that can be put together as a result of local control.

But here, Mr. Chairman, is the problem in what we are now debating. We have costly, outdated Government programs that are costing taxpayers hundreds of millions of dollars a year, that are enriching trial lawyers, that are giving jobs to lawyers to do nothing but write regulations. And here is a perfect example of everything that has gone wrong in these programs directly out of Washington, because here is a program where we have 20 pages of regulations telling folks how to take care of their pet.

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

Mr. Chairman, I am surprised my friends are not barking. I have been fascinated by the debate, too. What strikes me is the fact that this is a very interesting and important discussion, but it is about fundamental differences in philosophy, because I know of no one on our side who does not want elderly people who live in public housing or elsewhere to have a pet if they want a pet. And then, they would end up with pages of regulations telling folks how to take care of their pet. Twenty pages of regulations that trial lawyers can then use to take on public housing authorities or take on owners of buildings or whatever, take on the owners of the pets.

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Mr. Chairman, I would simply suggest that when Washington, DC, begins writing regulations in that kind of detail, we have to get that point where Government is too costly, we have outdated programs, and the fact is, that is the reason why taxpayers are suffering under such a huge burden of overtaxation.

We ought not extend this program further. We ought to get to the idea of local controls so that people can have real options about whether or not they are going to get in that particular program. But let us stop the madness that suggests that the only people that run this town are the trial lawyers who want as many regulations written as possible so there can be as many suits as possible. Twenty pages of regulations on how to take care of your pet in the Government code is an absolute absurdity. Reject the amendment.

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

Mr. Chairman, I was over in my office and I could not hardly believe what I was hearing when I was listening over there, so I decided to come over and add my 2 cents to the rest of the discussion.

Mr. Chairman, as one who has been a pet owner almost all of my life, when I was growing up with dogs and cats and pigeons and everything else you can think of, and as one who when we had our children, we had dogs and cats and things like that.

Mr. Chairman, I am getting to the point where I am 65. I am getting elderly. When I go home tonight, I have got a cat there. Old Bear has been with me for 16 years. Now, if I happen to be in a senior citizens complex someplace, I probably could not have old Bear. Old Bear would have to be put out and go to a new home and it would probably kill him. Or Bear would probably have to end up in a pond and that would be the end of him.

Mr. Chairman, I get a lot of solace in Bear. I will be honest, Bear comes up to me and when I go home and open up that door tonight after all of this silly discussion on whether people should have pets, because I think there is no reason for them to not have pets, when I open that door Bear is going to be upstairs. But as soon as I open that door, Bear comes running and Bear will be at that door to greet me.

The first thing he is going to want to do is he is going to want something to eat, because I have not been there all day and he was not eaten since breakfast and he is going to be hungry. It is going to be my ability to be able to feed Bear and hear him purr and have him rub up against my leg that is going to make me feel pretty good.

Mr. Chairman, I do not have a wife anymore at home. I have got Bear and Bear is a lot better than a friend and companion than some of the Members of this body, I will be honest. I would much rather be at home with Bear than be here.
Section 105 of the bill (relating to occupancy to the request of the gentleman from Mississippi) was considered tomorrow morning.

The prior unanimous-consent amendments to title I?

The result of the vote was announced today. Despite the fact that there might not be a recorded vote tonight.

Mr. SOLOMON. Mr. Chairman; I rise in support of the amendment offered by Mr. FIELDS of Louisiana.

Mr. SOLOMON. Mr. Chairman, I would ask the gentleman from New York, Mr. Kennedy, when he appeared before the Committee on Rules today, he called to my attention that particular point, Mr. Kennedy of Massachusetts. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York (Mr. SOLOMON).

Mr. Chairman, I appreciate the changes the gentleman made in terms of the substance of the amendment and making certain that innocent individuals that have perpetrated no crime are not going to be inadvertently punished as a result of what I think is a straightforward protection of people in public housing. We ought to try to do everything we can to get rid of drug dealers and repeat offenders. I think his amendment is well-intentioned and well thought through, and I support it.

Mr. SOLOMON. Mr. Chairman, I would say to the gentleman, absolutely not. They are entitled to, in the last sentence, at the recommendation of my good friend the gentleman from Massachusetts, Mr. Kennedy, to say that "We are going to get to the bottom of this and we are going to get rid of these people and kick them out of these public housing establishments." This is a follow-up on that. It is going to put teeth into it, and therefore, I think the amendment is going to be accepted on both sides of the aisle, and I urge acceptance of my amendment.

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

Mr. SOLOMON. Mr. Chairman, Mr. Kennedy of Massachusetts. Mr. Chairman, I rise in support of the amendment offered by Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

AMENDMENT OFFERED BY MR. FIELDS OF LOUISIANA

Mr. FIELDS of Louisiana. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Mr. FIELDS. I yield to the gentleman from New York (Mr. SOLOMON). The amendment was agreed to.
Amendment offered by Mr. FIELDS of Louisiana: In section 103(b)(5)(I) of the bill (as amended by the manager's amendment) (1) at the end of subclause (1), insert "and"; and (2) strike "and" at the end of subclause (II) and all that follows through the end of subclause (III).

Mr. FIELDS of Louisiana. Mr. Chairman, this amendment is a very simple and straightforward amendment. I talked about this amendment earlier. In the manager's amendment, it simply goes in and strikes out the portion that deals with the 5-year misdemeanor. That amendment only applies to anyone else who serves on a board. It should not be a requirement of a person, simply because they live in public housing, who serves on a board.

Mr. Chairman, I suggest that we take that portion and that portion only out of the manager's amendment, which will simply provide for all the other rules and regulations, or election requirements, rather, under the amendment, but it would take out the portion that when the tenants have an election, one will not be subject to the provision that says that if you have been convicted of a misdemeanor, not a felony but a misdemeanor in the past 5 years, you cannot run for a seat on the board.

I do not know if there are any objections to that amendment?

Mr. LAZIO of New York. Mr. Chairman, will the gentleman yield?

Mr. FIELDS of Louisiana. I yield to the gentleman from New York.

Mr. LAZIO of New York. Mr. Chairman, I thank the gentleman for yielding to me. I would tell the gentleman, we would be happy to accept the gentleman's amendment, in the spirit of the gentleman's amendment, which I think is an important objective in terms of ensuring maximum citizen participation. I would hope as a result of this, this would increase citizen participation.

One of the objectives of public housing authorities is to allow maximum local control over housing authorities, in good faith with the expectation that they have to do the best they can and that is true for any part of the community and the challenges that are facing them.

What we disagree with is the need to create another level of bureaucracy, another local advisory board that we think, that I think, frankly, is potentially stifled. In some cases it is going to be obsolete. We have citizen participation that will be communicating with the housing authorities via electronic media, whether it is computers in a number of different areas.

I urge as a result of this, this would raise the need to allow the opportunity to have various community forums. There are many different ways of asuring maximum citizen participation without creating another board that would purport to substitute for a more aggressive effort to ensure maximum citizen participation.

Mr. Chairman, this is, in effect, micromanagement at the local level to ensure what level and what type and what form citizen participation with respect to housing authorities will be. For that reason, it is inconsistent with the core principles of this bill, which are to allow maximum local control over housing authorities, locally driven solutions. I urge a "no" vote.

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

Mr. Chairman, I rise in strong support of the Fields amendment which establishes local advisory boards for public housing residents.

One of the objectives of public housing reform is to encourage individuals to become involved in their communities and to take responsibility for the neighborhoods in which they live. The Fields amendment will give residents the opportunity to assume that responsibility by requiring housing authorities to establish local advisory boards with 60 percent of its membership made up of residents of that authority. In addition, the amendment requires that...
the recommendations made by this advisory board be considered by the housing authority in the management plan that it submits to HUD.

In so doing, the Fields amendment gives residents a strong voice that will be heard by the housing authority and HUD when making management decisions that directly impact the lives of residents. This amendment is a positive step towards strengthening our goal of personal responsibility by helping tenants take control of their own lives and to determine their own destiny.

I encourage Members to vote “yes” on the Fields amendment.

Mr. BERREUTER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the legislation before us already makes substantial improvements in the opportunity for citizens in the country to make their comments known as the local management plan is prepared.

First of all, under the legislation, of course, we have the mandate that larger communities with over 250 housing units resident of a public housing authority on the local housing management authority. That is one thing that is already in the bill. This amendment, I think, across the board, for every community in the country that has a housing authority, no matter how small that community might be, to require them to have a citizens advisory committee, it is another layer of bureaucracy with unclear consequences, particularly if the local housing management agency does not agree to follow the recommendations of the advisory board.

I think it is unclear what the costs will be associated with that advisory committee but I would like to call our colleagues’ attention to a section that is in the bill that provides specifically for additional citizen participation that is now not required by the operations of housing authorities today.

The Chairman has already made reference to it but I want to bring out some of the details of the citizen participation section found on page 31.

Before they submit the local management plan, the local housing authority shall make the plan or the amendment publicly available in a manner that includes public housing residents and assisted families and others an opportunity to review the plan, and then provides for a period of not less than 60 days for that review.

Beyond that, the local housing and management authority shall consider all comments, and to make sure that anybody that reviews the plan has a full appreciation of the comments coming from the citizenry, including from public housing residents, the plan, once submitted, must contain a summary of such comments or views. It shall be attached to the plan, the amendments, or the reports submitted. Therefore, HUD will have an opportunity to look at the kind of citizen participation comments that came forward as a part of the local hearing process.

I think we have really made quite substantial improvements to the way citizens have an opportunity to express their views and to make sure of the local housing authority. This adds another layer of bureaucracy. I strongly oppose it because it applies across the board, and I think it is unnecessary.

Mr. Chairman, I guess I am able to offer an additional insight to this question of an advisory board. I bring to this microphone again some long years of history as a layman dealing with public housing in our community in Houston. I think we are well known for having, as I indicated, some very exciting ventures in Houston’s housing authority, including one of the first experimental combined Texas Southern University/public schools located in the Houston housing development by the name of Cuney Homes. There is something to that decision. It came about through community involvement. And when there is community involvement, it is a solution that has worked when all who are stakeholders can appreciate it.

Just a couple of weeks ago, Secretary Cisneros visited Houston and we had a difficult problem. In fact, we still have a difficult problem with one of our housing developments called Allen Parkway Village. But at the time Secretary Cisneros joined us in Houston, we gathered together community representatives, businesspersons, people from the ministerial community, lawyers and others who indicated that they too had a concern with Allen Parkway Village even though they were not residents of that village. Out of that discussion came the suggestion that we form an advisory board, an advisory board that would be the stakeholders beyond those individuals who are residents.

I am very pleased to say that such advisory board does exist. But the Fields amendment embodies and institutionalizes what is an effective tool for the community, and, that is, an advisory board that will have input and impact in solving problems and bringing fresh ideas to our local authorities. Why reject an opportunity for participation? Why not welcome and embrace it? If we are talking about sending citizens to make the plans that are adopted by the local management authority in the same public housing authorities located in the same region, such appeals board should include resident representation.

Mr. LAZIO of New York. Mr. Chairman, I reserve a point of order on the amendment. I do not have a copy of that amendment. I am wondering if I can get a printed copy of that.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Louisiana [Ms. FIELDS] and say that I think the advisory committee that we have organized in Houston has the potential of being a very vital resource to bringing solutions to a very difficult problem. I leave the microphone with a question. If we talk about private/public partnerships, what better opportunity for private/public partnerships on the local level than to create advisory boards all who will have a stake in this issue and work with those who live in public housing?

The CHAIRMAN pro tempore (Mr. HOBBON). The amendment is rejected.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment. The Clerk reads as follows:

Amendment offered by Ms. JACKSON-LEE of TEXAS

Ms. JACKSON-LEE of Texas, Mr. Chairman, I offer this amendment in the spirit of what I have been listening to throughout the night. Even though...
The effort by the gentlewoman, whom I respect greatly, I think still has a number of different issues that are left unresolved. For example, we do not have any explanation, I have not received this just now, we have one paragraph written. We have no idea who is part of the board, how big the board will be; who will govern the board, what rules of process there might be, etc. It's hard to be considered, how it is constituted, who sets it up and so on and so forth.

I would suggest to the gentlewoman that perhaps we can continue to talk about this and see if there is an appropriate concern that she has, and I am sure she has a concern, that we might address in the following weeks and months. This probably is not the right time and the right place to do this.

Mr. JACKSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LAZIO. I yield to the gentlewoman from Illinois.

Mr. JACKSON of Illinois. Mr. Chairman, from what I have learned, I thank the gentleman, the distinguished chair of the subcommittee for this opportunity. I think that it is clear in section 110 under ‘administrative grievance procedure’; page 38, lines 12 through 24, that six procedures have been laid out that certainly address requirements for expressing these grievances.

But the gentlewoman from Texas is expressing a part of the due process concern that I think is legitimate, and I appreciate the gentlewoman from Texas has pointed out how the distinguished chairman can give with respect to the appellate process to which the gentlewoman from Texas is addressing.

It is clear in section 110 that people who live in public housing are to be advised of specific grounds of any of the proposed adverse local housing and management actions. They have an opportunity for a hearing, an opportunity to be heard. If you are entitled to be represented by another person of their choice at a hearing, they are entitled to ask questions and receive a written decision.

But the gentlewoman’s fundamental concern, which is a fundamental tenet of justice in this society, is due process, and that is the appellate process.

Mr. Chairman, if the distinguished chairman would address that, I would appreciate it.

Mr. LAZIO of New York. Mr. Chairman, reclaiming my time, I want to thank the gentleman, my neighbor from Illinois, Mr. JACKSON, and again compliment him for his interest in due process.

Again, the gentleman has laid out the six different types of due process that will be afforded a party that feels that they have been wronged. In addition to this, an individual who feels they have been wronged through the administrative process has the complete and full ability that is reemphasized in this bill to continue to use the legal process, both at the trial level and up the
The concern I have, in addition to the fact that I think with respect to how this proposed appellate board is constituted and what the rules might be around the board, is that we allow for full due process and for a complete hearing, and we make that clear, by ensuring that people do not just get a written decision, but are allowed to present witnesses and hear testimony and present documents and have someone represent them, and after that they feel they are still wronged, they have the ability to do to court. There comes a time if somebody is disruptive, is truly wronging other residents of a housing project, that they need to be separated from that and there needs to be order as there is in the places we all live in.

For that reason, I am not able to support this.

The CHAIRMAN pro tempore. Does the gentleman insist upon his point of order?

Mr. LAZIO of New York. Mr. Chairman, I withdraw my reservation of the point of order.

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Illinois. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to thank the chairman for his hard work. I think we have had some vigorous debates this evening. I am here because I have lived with people for about 17 years dealing with public housing, and I truly believe that there is still a solution.

If I might comment on some of the points that the gentleman made and offer to him some answers to his concern, first of all, we have already spoken about the abilities of local housing authorities to manage and to make decisions, I would hope the gentleman would have the same kind of confidence in the local housing authorities in a certain region as defined by HUD. There is a Southwest Region, we have an office in Dallas. I imagine there are regions on the East Coast where the gentleman is from, New York. Those are the designated areas that would regionally comprise an appeals board. I would believe, and it is evident, just as you have left on this lower level, to the housing authority, the decision of who might be on this board, but include some participation from residents. Mind you, I did not even add a percentage.

Also this does not go to those dangerous entities, such as drug users.

Somebody might be gun running, somebody might be running or alleged to be running prostitution. Those are criminal activities and a total breach of the lease.

These are incidents where people might live at the Watergate and would have the wherewithal to sue the management company or go into a court of higher authority. But when you have people living in public housing who are in fear every moment that they are doing something that might cause them to be wrongly decided upon, if you will, then they do not have the resources, as the gentleman has argued, of going to court.

Under the Administrative Procedures Act we realize there is a hearing officer and then there is a higher tribunal before you even have to get to court. That is to ensure that, we thought, we would not have individuals clogging up the courts. On many occasions the Administrative Procedures Act has worked effectively. In Texas, for example, and around the country, we have gone to mediation. Lawyers are now doing mediation to avoid going into court.

I wish we could encourage more opportunity for citizens to have the right to address their grievances in a setting that is non-court like, and I am an attorney, so that problems can be solved at an earlier stage than what might occur later on.

Public housing residents, I would say to the gentleman from Illinois [Mr. JACKSON], I do not have some of the resources to go to court. This is an administrative proceeding of sorts that would then come under the provision where costs would be attributable, if any, minimally so, to the housing authority.

Mr. JACKSON of Illinois. Mr. Chairman, reclaiming my time, I am operating under the impression that due process is not asking for very much. If the chairman is very concerned about expediting the process, then we need an expedited proceeding that might cut through the administrative proceeding of sorts that would then come under the provision where costs would be attributable, if any, minimally so, to the housing authority.

Mr. JACKSON of Illinois. Mr. Chairman, claiming my time, I am operating under the impression that due process is not asking for very much. If the chairman is very concerned about expediting the process, then we need an expedited proceeding that might cut through the administrative proceeding of sorts that would then come under the provision where costs would be attributable, if any, minimally so, to the housing authority.

Ms. JACKSON-LEE of Texas. Mr. Chairman, if the gentleman will yield further, I appreciate the gentleman’s characterization of this amendment, because that is just what it is. It is to provide a due process for those who are most frightened about not having housing, some of whom have been on waiting lists for years. The community I come from has had people on waiting lists for years, and we have had lists as high as 15,000 individuals on waiting lists.

This is a procedure that helps clarify the problem, provides a hearing, and then an appeal, and gives a fair opportunity for this resident to air out their grievance and to address their grievance.

I would ask the chairman to consider what his concerns were and have us opportunity to deal with those concerns, but not deny the opportunity for those who are residents, who are not violating criminal laws or threatening anyone, to have an opportunity to appeal their grievance in an appropriate manner.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Texas [Ms. JACKSON-LEE].

The amendment was rejected. The CHAIRMAN pro tempore. Are there further amendments to title I?

AMENDMENT NO. 2 OFFERED BY MR. EHRLICH

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. EHRLICH: Page 43, after line 16 insert the following new section:

SEC. 115. PROHIBITION ON USE OF FUNDS.

Notwithstanding any other provision of law, none of the amounts provided under this Act may be used for the purpose of funding the relocation of public housing residents and applicants from Baltimore City, Maryland, to other jurisdiction in the State of Maryland if such relocation is in connection with any settlement, consent decree, injunction, judgment, or other resolution of litigation brought by public housing residents of Baltimore City, Maryland, concerning the demolition of certain public housing units in such city.

Mr. EHRLICH. Mr. Chairman, I am given to understand that a point of order will be raised with respect to amendment No. 2. It is my intent to withdraw this amendment. But before I do, I want to make a number of points and then enter into a colloquy with the chair of the subcommittee.

The first thing I would like to do is congratulate the chairman of the subcommittee, who has had a long day. He is a man of integrity, class and intelligence, and I truly appreciate his friendship and I appreciate the sensitivity he has shown toward me with respect to the issue of HUD and the lawsuit in Baltimore City over the past few weeks.

It is very interesting, Mr. Chairman, that my amendment drew a lot of attention from Members of this House over the last two days. I received a lot of phone calls from folks on both sides of the aisle, because there is a genuine concern out there that there is a Federal department increasingly out of control.

This department believes it should engage in policymaking far outside the scope of its constitutional authority. It threatens and sues people and groups who dare oppose its policies.
the judicial process to create class- and race-based remedies and programs it could not pass on this floor, in this House, in the Senate of the United States.

For decades, HUD policies have contributed to the denigration of the quality of life of many neighborhoods in the Baltimore Metropolitan area. Now, in Baltimore, HUD seeks to create a special race-based voucher to be given to public housing residents to be used in middle-class neighborhoods.

Mr. Chairman, I ask what kind of message are we sending working folks in this country of all races, working folks of all races? Why do we allow this department to further a sense of entitlement with respect to Federal housing policy? What happened to the work ethic in the context of Federal housing policy in this country?

Mr. Chairman, I look forward to working with you, and the ranking member on our joint mission to reform Federal housing policy in this country and to rein in an increasingly belligerent, aggressive, and out of control Federal Department of Housing and Urban Development.

At this point, Mr. Chairman, I would like to enter into a colloquy with the gentleman from Long Island, NY [Mr. Lazio], my colleague and my friend, the chairman of the subcommittee. He and the staff have been very helpful and supportive of my efforts to make sure that HUD does not run roughshod over the Constitution when implementing the statutes previously passed by this Congress. At this time I would like to yield to the chairman of the subcommittee so that he might offer his own observations of what I have described over the last 5 minutes.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would continue to yield, I share the gentleman’s sentiments and would like to make sure that our subcommittee will continue to monitor the actions of HUD as this relates to the Baltimorean’s verdict decree, and many other areas around the country.

It is my understanding that the designers of the Section 8 program never intended for the use of vouchers to be limited to any one group, regardless of race. I have strong concerns about the manner in which HUD is proceeding with certain lawsuits, and I thank the gentleman for bringing this startling pattern to the attention of this Congress.

Mr. EHRLICH. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. The gentleman from Maryland [Mr. Hosson]. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN pro tempore. Are there further amendments to title II? If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 202. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107; and

(D) to involve residents of housing assisted with block grant amounts in functions and decisions related to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV; and

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) MODIFICATION.—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged, or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) CONDITIONS ON RENEWAL.—Each block grant contract under this section shall provide, as a condition of renewal of the contract with the local housing and management authority, that the authority’s accreditation be renewed by the Housing Foundation and Accreditation Board and pursuant to review under section 432 by such Board.

SEC. 203. BLOCK Grant AUTHORITY AND AMOUNT.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 202.

(b) ELIGIBILITY.—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 432 by the Housing Foundation and Accreditation Board; and

(5) the authority is exempt from local taxes, as provided under subsection (d), or receives a contribution as provided under subsection (e).

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title.

(d) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.

(1) EXEMPTION FROM TAXATION.—A local housing and management authority may receive a block grant under this title only if—

(A) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision in which the development is located; and

(B) the local housing and management authority makes payments in lieu of taxes to such
(i) prescribed by State law;
(ii) agreed to by the local governing body in its appropriation pupil;(e) operation with the local housing and management authority or under a waiver by the local governing body; or
(iii) the failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or
(B) the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall not be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

2. Effect of failure to exempt from tax

(1) notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the grant and utility cost charged in the development.

3. Local cooperation

(a) in recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may make a grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(b) excepting

(1) notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority or the public housing of the eligible authority.

4. SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES—Except as provided in subsections (b), (c), (d), (e), (d) and (f) of this section, as appropriate, activities under this title may be used only for the following activities and costs:

(1) production—production of public housing developments and any production costs.

(2) operation—Operation of public housing developments in a manner appropriate to ensure the viability of the developments as low-income housing for the protection of safety, security, and law enforcement measures and activities necessary to protect residents from crime, which shall include providing adequate operating services and reserves funds.

(3) modernization—Improvement of the physical condition of existing public housing developments (including routine and timely improvements, rehabilitation, and replacement of systems, and major rehabilitation, redesign, reconstruction, and redevelopment) and upgrading the physical condition of such developments, to ensure that such developments continue to be available for use as low-income housing.

(b) resident programs—Provision of social, educational, employment, self-sufficiency, and other services to the residents of public housing developments, including providing part of the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs.

(c) homeownership activities—Activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchase or rental or, if appropriate, the provision of financial assistance to resident management corporations or resident councils to obtain, technical assistance, and educational assistance to promote homeownership.

(d) resident management activities—Activities in connection with establishing, organizing, training, and assisting resident councils and resident management corporations for public housing developments.

(e) demolition and disposition activities—Activities in connection with disposition or demolition of public housing under section 261.

(f) payments in lieu of taxes—Payments in accordance with the requirement under section 202(d)(3).

(g) emergency corrections—Correction of conditions that constitute an immediate threat to the health or safety of residents of public housing developments, without regard to whether the need for such correction is indicated in the local housing management plan of the authority.

(h) preparation of local housing management plans—Preparation of local housing management plans (including reasonable costs that may be necessary to assist residents in preparing such plans) in a meaningful way and conducting annual financial and performance audits under section 432.

(i) LHMA insurance—Purchase of insurance by local housing and management authorities (and their contractors), except that—

(1) any such insurance so purchased shall be competitive, and

(2) any coverage provided under such policies, as certified by the authority, shall provide reasonable coverage for the risk of liability exposure or, in the case of tenant-based activities, liability concerns inherent in the testing and abatement of lead-based paint, and the management and quality assurance responsibilities associated with the conduct of such activities; and

(j) notwithstanding any other provision of State or Federal law, regulation or other requirement, any line of insurance from a non-profit insurance entity, owned and controlled by local housing and management authorities and approved by the Secretary, may be purchased without regard to competitive procurement.

(k) payment development bonds and notes issued under 1937 act—Payment of principal interest payable on obligations issued pursuant to section 5 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) by a local housing and management authority to finance the production of public housing, except that the Secretary shall retain the authority to forgive such debt.

(l) mutual help homeownership opportunities—Activities under the Indian housing authority—In the case of an Indian housing authority, production, operation, and modernization of developments under a mutual help homeowner—Activities under section 202 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act), except that any reference in such section to assistance under such section or such Act shall be construed to refer to assistance under this title and such (b) of section such section shall not apply.

(m) required conversion of assistance for public housing to rental housing assistance—

(1) requirement—A local housing and management authority that receives a grant amount under this title shall provide assistance in the form of rental housing assistance under title III or appropriate site revitalization or other appropriate assistance under this title, at the option of the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that—

(A) the building is distressed or substantially vacant;

(B) two or more of the buildings or for appropriate site revitalization or other capital improvements approved by the Secretary.

3. Enforcement—The Secretary shall take appropriate action to ensure conversion of any building or buildings pursuant to paragraph (1) and any other appropriate action under this section, if the local housing and management authority fails to take appropriate action under this subsection.

4. Failure of LHMA's to comply with conversion requirement—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and other appropriate action pursuant to this subsection.

5. Cessation of unnecessary spending—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

6. Use of budget authority—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize direct the local housing and management authority to cease all or any portion of the tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public and Indian housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable to the acquisition of buildings or land for locating such assistance to such building or buildings;
(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings, or any other amounts authorized by section 204 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(2) or in the case of an authority receiving assistance pursuant to the formula under section 204, any amounts provided to the authority which were not expended in accordance with this Act and the authority determined under section 204(d)(1) or the capital improvements allocation for the local housing and management authority determined under section 204(d)(2).

SEC. 204. DETERMINATION OF BLOCK GRANT LOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 111 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall establish a method for taking into consideration applicable local housing and management authorities.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for eligible local housing and management authorities under section 204.

(c) PERMANENT ALLOCATION FORMULA.—

(1) OPERATING ALLOCATION.—

(A) AGRICULTURAL NEEDS.—In any fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subparagraph, except that the formula shall not be construed to preclude changes or amendments to the plan, as authorized under section 107, shall be binding and management authority (including any operating management plan submitted by a local housing and management authority determined under section 204(d)(2). The capital improvement allocation for the local housing and management authority determined under section 204(d)(2) shall provide for allocating amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subparagraph, except that the formula shall not be construed to preclude changes or amendments to the plan, as authorized under section 107, shall be binding and management authority (including any operating management plan submitted by a local housing and management authority determined under section 204(d)(2). The capital improvement allocation for the local housing and management authority determined under section 204(d)(2) shall provide for allocating amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs, attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. This unit is considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(D) CAPITAL IMPROVEMENT ALLOCATION.—

(A) AGRICULTURAL NEEDS.—In any fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subparagraph, except that the formula shall not be construed to preclude changes or amendments to the plan, as authorized under section 107, shall be binding and management authority (including any operating management plan submitted by a local housing and management authority determined under section 204(d)(2). The capital improvement allocation for the local housing and management authority determined under section 204(d)(2) shall provide for allocating amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(D) DETERMINATION.—The capital improvement allocation under this subparagraph, except that the formula shall not be construed to preclude changes or amendments to the plan, as authorized under section 107, shall be binding and management authority (including any operating management plan submitted by a local housing and management authority determined under section 204(d)(2). The capital improvement allocation for the local housing and management authority determined under section 204(d)(2) shall provide for allocating amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(D) DETERMINATION.—The capital improvement allocation under this subparagraph, except that the formula shall not be construed to preclude changes or amendments to the plan, as authorized under section 107, shall be binding and management authority (including any operating management plan submitted by a local housing and management authority determined under section 204(d)(2). The capital improvement allocation for the local housing and management authority determined under section 204(d)(2) shall provide for allocating amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

SEC. 205. SANCTIONS FOR IMPROPER USE OF FUNDS.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this section.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this section.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 204(a)(3) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 204(a)(3) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the conclusion of the fiscal year for which the grant was received.

Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families; and

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) to low-income families identified by the local housing and management authority; and

(ii) the number of which units is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total value of the assistance (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements in accordance with regulations of such type; and

(iv) which units are specially designated as dwellings units under this subparagraph, except

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time the authority first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a)(1), make, withhold amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOWINCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this section.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this section.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 204(a)(3) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 204(a)(3) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the conclusion of the fiscal year for which the grant was received.

Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families; and

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) to low-income families identified by the local housing and management authority; and

(ii) the number of which units is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total value of the assistance (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements in accordance with regulations of such type; and

(iv) which units are specially designated as dwellings units under this subparagraph, except
the equivalent units in the development may be
substituted for designated units during the pe-
riod the units are subject to the requirements of
the public housing program; and
(v) any other occupancy limitations or re-
quirements
Notwithstanding any other provision of this
section, the local housing and management au-
thority shall establish and utilize income-mix criteria for the
development, which shall be subject to the provisions
of subsection (c)
(c) INCOME MIX.—Of the public housing
dwelling units of a local housing and manage-
ment authority made available for occupancy
after the date of the enactment of this Act, not
less than 25 percent shall be occupied by low-in-
come families whose incomes do not exceed 30 percent of the area median income.
(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—
(1) AUTHORITY AND WAIVER.—To provide occu-
pancy in public housing dwelling units to police
officers who suffer a criminal conviction of any
person who otherwise is eligible for residence in public housing and to increase se-
curity for other public housing residents in de-
velopments where crime has been a problem, a
local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
graph (2)—
(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
quirements
The authority may establish and utilize income-mix criteria for the
development, which shall be subject to the provisions of
subsection (c).
(c) INCOME MIX.—Of the public housing
dwelling units of a local housing and manage-
ment authority made available for occupancy
after the date of the enactment of this Act, not
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curity for other public housing residents in de-
velopments where crime has been a problem, a
local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
graph (2)—
(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
quirements
The authority may establish and utilize income-mix criteria for the
development, which shall be subject to the provisions of
subsection (c).
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dwelling units of a local housing and manage-
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after the date of the enactment of this Act, not
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local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
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(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
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officers who suffer a criminal conviction of any
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curity for other public housing residents in de-
velopments where crime has been a problem, a
local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
graph (2)—
(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
quirements
The authority may establish and utilize income-mix criteria for the
development, which shall be subject to the provisions of
subsection (c).
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after the date of the enactment of this Act, not
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come families whose incomes do not exceed 30 percent of the area median income.
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officers who suffer a criminal conviction of any
person who otherwise is eligible for residence in public housing and to increase se-
curity for other public housing residents in de-
velopments where crime has been a problem, a
local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
graph (2)—
(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
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The authority may establish and utilize income-mix criteria for the
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after the date of the enactment of this Act, not
less than 25 percent shall be occupied by low-in-
come families whose incomes do not exceed 30 percent of the area median income.
(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—
(1) AUTHORITY AND WAIVER.—To provide occu-
pancy in public housing dwelling units to police
officers who suffer a criminal conviction of any
person who otherwise is eligible for residence in public housing and to increase se-
curity for other public housing residents in de-
velopments where crime has been a problem, a
local housing and management authority may,
within the authority's discretion, waive the
requirements of any subsection of this section,
with respect to such units and subject to para-
graph (2)—
(A) the provisions of subsection (a) of this sec-
tion and section 225(a);
(ii) the provisions of subsection (b) of this
section;
(iii) any criteria relating to project income
mix established under subsection (b);
(iv) income mix requirements under
subsection (c); and
(v) any other occupancy limitations or re-
quirements
The authority may establish and utilize income-mix criteria for the
development, which shall be subject to the provisions of
subsection (c).
(c) INCOME MIX.—Of the public housing
dwelling units of a local housing and manage-
ment authority made available for occupancy
after the date of the enactment of this Act, not
less than 25 percent shall be occupied by low-in-
come families whose incomes do not exceed 30 percent of the area median income.
SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to comply with the housing quality requirements under section 232;

(3) require the local housing and management authority to maintain the tenancy in compliance with the housing quality requirements under section 232;

(4) require that the local housing and management authority may not terminate the tenancy except for nonpayment of rent, the terms of conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is a criminal activity (including drug-related criminal activity);

(6) provide that any occupancy in violation of the provisions of section 227(a)(4) shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be entitled to a hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES.

(a) Authority to Provide Designated Housing.—

(1) In General.—Notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (c) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) Priority for Occupancy.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy by (A), (B), or (C), the priority for occupancy may be established only in the order (i) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy); and (ii) to meet the housing needs of the low-income population jurisdiction; and (B) limits a description of the development (or portion of a development) to be designated (i) the development (or portion of a development) to be designated; (ii) the types of residents for which the development is to be designated; (iii) any services designed to meet the special needs of residents to be provided to residents of the designated development; (iv) the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodating the special environmental needs of the intended occupants.

(2) 5-Year Effectiveness.—The information required under paragraph (1) shall be effective for the period of occupancy of the development (or portion thereof) under this section only for the 5-year period that begins upon other provision of law, a dwelling unit in a development (or portion of a development) that is designated under paragraph (1) for occupancy by only elderly families or by only elderly and disabled families shall not be occupied by any individual who is not an elderly person and—

(i) who currently illegally uses a controlled substance or whose use of a controlled substance or alcohol, a local housing and management authority to believe that the occupancy by such individual may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) Standards Regarding Evictions.—

(1) Limitation.—Except as provided in paragraph (2), any resident who is lawfully residing in a dwelling unit in a development designated for occupancy under subsection (a)(1) may not be evicted or otherwise required to vacate such unit because of the designation of the development as a development for elderly families to fill all the units in a development (or portion of a development) designated for occupancy by only elderly families or by only elderly and disabled families.

(2) Evictions.—The local housing and management authority administering a development (or portion of a development) described in subsection (a)(4)(A), (B), or (C) may evict any individual who occupies a dwelling unit in such a development and who is currently illegally using a controlled substance or whose current use of alcohol provides a reasonable cause for the authority to believe that the occupancy by such individual may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(c) Required Inclusions in Local Housing Management Plan.—

(1) In General.—A local housing and management authority may designate a development (or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(A) establishes that the designation of the development is necessary—

(i) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy); and

(ii) to meet the housing needs of the low-income population jurisdiction;

(B) submits a description of the development (or portion of a development) to be designated (i) the development (or portion of a development) to be designated; (ii) the types of residents for which the development is to be designated; (iii) any services designed to meet the special needs of residents to be provided to residents of the designated development; (iv) the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodating the special environmental needs of the intended occupants.

(2) 5-Year Effectiveness.—The information required under paragraph (1) shall be effective for the period of occupancy of the development (or portion thereof) under this section only for the 5-year period that begins upon any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of the contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) Exception.—The minimum rent contribution requirement under subsection (b)(1)(A) shall be increased by the amount described in paragraph (1) of this subsection, notwithstanding such paragraph.
SEC. 231. MANAGEMENT PROCEDURES.
(a) SOUN D MANAGEMENT.—A local housing and management authority that receives grant amounts under this title shall establish and comply with, and practice and implement, policies and procedures to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.
(b) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.
(a) AUTHORITY.—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies with—
(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding the protection of residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b), with the housing quality standards established under subsection (b). 

(b) FEDERAL HOUSING QUALITY ST ANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, sanitary, and operate in a clean manner. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall be consistent with the standards established under section 328(b) of the Act. The Secretary shall establish, pursuant to such standards and regulations, a housing quality index that will allow for the measurement and evaluation of quality standards.

(c) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan, any applicable law, regulation, standard, or code that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether the development is maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV, and an auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.
(a) RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.
(1) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development.

(b) MANAGEMENT BY RESIDENT MANAGEMENT CORPORATIONS.
(1) AUTHORITY.—A local housing and management authority may enter into a contract with a resident management corporation to manage a public housing development.

(c) DETERMINATIONS.—The Secretary shall require that—
(1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;
(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);
(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and
(4) any income generated by a resident management corporation.

(d) ANNUAL INSPECTIONS.—A contract under this section shall provide for—
(1) the appointment of qualified persons to make annual inspections of the development managed by a resident management corporation.

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.
(a) AUTHORITY.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, sanitary, and operate in a clean manner. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall be consistent with the standards established under section 328(b) of the Act. The Secretary shall differentiate between major and minor violations of such standards.

(b) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan, any applicable law, regulation, standard, or code that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(c) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan, any applicable law, regulation, standard, or code that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether the development is maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV, and an auditor conducting an audit under section 432.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.
(a) AUTHORITY.—A local housing and management authority may enter into a contract with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this Act, a local housing and management authority may enter into a contract with a corporation that—
(1) is nonprofit in character;
(2) maintains in accordance with the requirements under subsection (a) of this section any management responsibility for a public housing development managed by a resident management corporation; and
(3) maintains a sound management of a public housing development managed by a resident management corporation.

(c) REMUNERATION.—The Secretary shall, to the greatest extent practicable, be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) BLOCK GRANT ASSISTANCE AND INCOME.—A contract under this section shall provide for—
(1) the amount of income expected to be derived from the development itself (from sources such as rents and charges);
(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and
(4) any income generated by a resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.
(a) AUTHORITY.—The Secretary may transfer the responsibility and authority for management
of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a local housing and management authority that is—

(A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or

(B) is designated as a troubled authority under section 234(b)(2), and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) Block Grant Assistance.—Pursuant to a contract under subsection (c), the Secretary shall enter into a contract with a local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the housing, the capital and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing and management authority management plan.

(c) Contract Between Secretary and Manager.—

(1) Requirements.—Pursuant to the approval of a contract under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) Incorporation in Contract.—The total amount shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) Compliance With Local Housing Management Plan.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority that is not otherwise provided to the Secretary and otherwise meet the requirements of this section, if—

(A) the local housing and management authority authorizes the transfer of the management of specified housing;

(B) the resident council of a public housing development, in cooperation with the local housing and management authority, shall select, enter into a contract with, and otherwise meet the requirements of this section, and that supplies insurance or equivalent protection sufficient to the Secretary and the local housing and management authority for purposes of this title.

E. Funding Assistance for Public Housing Developments

B. Program Requirements

(1) Resident Council.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other residents to participate in the development or harm the efficient operation of the development. The resident management corporation is designated as the corporation that complies with the requirements applicable to both the corporation and council.

(2) Public Housing Management Specialist.—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a certified public accountant to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) Management Responsibilities.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the resident management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(4) Annual Audits.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(5) Comprehensive Improvement Assistance.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. Such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administration or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.
and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of those using public housing units.

(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements and the provisions of section 204, permit any resident management corporation to hire employees under collective bargaining agreements.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection shall be conditioned on the achievement of the following:

(a) RESIDENT MANAGEMENT AUTHORITY.—Each resident management corporation shall have an effective management authority and a resident management plan for the authority (including the local housing and management plans) if an eligible family, the period of time elapsed before the family can purchase the development (or portion), and shall specify the amount of income that shall be subject to any resident management corporation.

(b) PARTICIPATING UNITS.—A program under this subsection may cover any existing public housing units for purchase by low-income families, and other requirements.

(c) ELIGIBLE PURCHASERS.—Any requirement or limitation with respect to purchase under the program by an eligible family, the period of time elapsed before the family can purchase the development (or portion), and shall specify the amount of income that shall be subject to any resident management corporation.

(d) DOWNPAYMENT REQUIREMENT.—Any requirement or limitation with respect to purchase under the program by an eligible family, the period of time elapsed before the family can purchase the development (or portion), and shall specify the amount of income that shall be subject to any resident management corporation.

(e) OPERATING ASSISTANCE AND DEVELOPMENT INCOME.—(1) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management program by newly formed entities, the identification of the social support needs of residents of public housing developments, and the securing of such support.

(2) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENTS.—A local housing and management authority may demolish, dispose of, or demolish and disassemble public housing developments of the authority in accordance with this section and with the local housing management plan for the authority.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the request of any resident management corporation or resident council, provide such entity with amounts from the corporation or resident council. The Secretary may not, before the request of any resident management corporation or resident council, provide such entity with amounts from the corporation or resident council. The Secretary may not, before the request of any resident management corporation or resident council, provide such entity with amounts from the corporation or resident council.

(4) FUNDING.—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1996.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which any financial assistance for the development or formation of such entity is provided under title II of the United States Housing Act of 1937 (as in effect before the date of this Act).

(6) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall conduct an evaluation and assessment of the effectiveness of the program in accordance with this section and the local housing management plan for the authority.

(7) FUNDING PROVIDED UNDER THIS SUBSECTION.—Any amount made available for financial assistance under this subsection shall be treated as public housing assistance provided to the family under the program by the authority to the eligible family. The Secretary shall provide financial assistance for the development or formation of such entity.

(b)OWNERSHIP INTERESTS.—A homeownership program under this section shall be required to provide purchase assistance to any resident management corporation or resident council.

(g) OWNERSHIP. — (1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a local housing and management authority, or other requirements.

(2) OTHER REQUIREMENTS.—A local housing and management authority may establish other requirements or limitations with respect to purchase under the program by an eligible family, but shall provide such limitations on resale as the Secretary considers appropriate for the authority to recapture—

(A) from any economic gain derived from such resale occurring during the 5-year period before the sale to a resident management corporation or resident council.

(B) at any time after the expiration of such 5-year period, any such amounts as are available under this section by the authority to the purchaser.

(h) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 261 shall not apply to disposition of public housing units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing units for purposes of subsections (e) and (f) of section 261.
(A) The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—
(1) reducing the density and improving the living environment for existing residents of severely distressed public housing developments and for residents of public housing developments (or portions thereof) that are used for meeting the service or living environment for public housing residents in the same site or in the neighborhood; and
(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c); and
(3) how the net proceeds of the disposition will be used in accordance with subsection (e); and
(4) the purpose of the demolition or disposition of public housing dwelling units on the same site or in the neighborhood; and
(5) the net proceeds of any in-kind services or administrative costs provided.
(b) Eligible activities.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—
(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;
(2) the demolition, sale, or lease of the site, in whole or in part;
(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) paying reasonable and necessary legal fees;

(5) providing, reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) necessary and effective activities that promote the economic self-sufficiency of residents under the revitalization program;

(a) necessary management improvements;

(b) retaining other resources, including additional housing resources, retail supportive services, jobs, and other economic developments on or near the development that will benefit future residents of the site;

(7) replacement housing and housing assistance under title III;

(8) transitional security activities; and

(9) supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and be submitted in such manner and accordance with such procedures, as the Secretary shall prescribe.

(2) SECTION CITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, to carry out large-scale rehabilitation or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development;

(E) the amount of funds and other resources to be leveraged by the grant; and

(F) whether the applicant local housing and management authority has been awarded a planning grant under section 433(a)(2) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) ACQUISITION OR REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization program or replacement that the Secretary determines that such action will help to effectuate the purposes of this section.

(j) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section.

(k) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(A) The term "applicant" means—

(1) any local housing and management authority that is designated as troubled pursuant to section 43(a)(2)(D); and

(2) any local housing and management authority or private housing management agent selected, prior to the date of this Act, to receive a grant under this section.

(B) the amount of funds and other resources under this section sufficient to provide for assistance under this title, except

(1) the amount of funds and other resources under this section that have not been disbursed, and

(2) the amount of funds and other resources under this section that will not affect the capacity of the authority to carry out a revitalization program;

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(C) the term "private nonprofit corporation" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(1) is incorporated at State or local law;

(2) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(3) complies with standards of financial accountability acceptable to the Secretary; and

(4) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(D) the term "severely distressed public housing" means a public housing development (or building in a development) that—

(1) requires major redesign, reconstruction, or rehabilitation, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(2) is a significant contributing factor to the physical decline of and disinvestment in public and private entities in the surrounding neighborhood;

(3) is occupied predominantly by families who are unemployed, and dependent on various forms of public assistance; and

(4) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is a part of the Secretary's determination that it is sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(B) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.5 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by the Secretary and a public housing agency and Urban Development, of local housing and management authorities, and of residents.

(f) SUNSET.—No assistance may be provided under this section on or after December 31, 1996.
Mr. KENNEDY of Massachusetts. Mr. Chairman, I move to strike the last word to try to make certain that we understand what our business is going to be.

Mr. Chairman, I want to try to enter into a discussion with the gentleman from New York [Mr. LAZIO], my friend and chairman about our plans for the rest of the evening, and I hope for our plans involving tomorrow's business.

I wonder if the gentleman might enlighten us as to what his plans for the subcommittee are for the rest of the evening.

Mr. LAZIO of New York. Mr. Chairman, if the gentleman would yield, I would be happy to enter into a discussion with my friend, the distinguished ranking member, Mr. KENNEDY.

I will be happy to make the unanimous consent request.

Mr. Chairman, I ask unanimous consent that debate on all amendments to the bill and any amendment thereto, be limited to 10 minutes, equally divided and controlled by the proponent and an opponent, except that: the modified amendment No. 7 offered by Mr. FRANK of Massachusetts be considered under the terms of the previous order and amendment No. 17 offered by Mr. KENNEDY of Massachusetts be debatable for 1 hour, amendments Nos. 33 and 34 offered by Ms. VELAZQUEZ of New York may be debated for 20 minutes, amendment No. 22 offered by Mr. ROEMER of Indiana be debatable for 20 minutes, and amendment No. 9 by Mr. HAYWORTH of Arizona be debatable for 20 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LAZIO of New York. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. HAYWOOD) having assumed the chair, Mr. Hobson, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill, (H. R. 2408), to reëxamine the United States Housing Act of 1937, deregulate the public housing program and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes, had come to no resolution thereon.

APPOINTMENT OF MEMBERS TO UNITED STATESlegation of CanadA-united states interparliamentary group

The SPEAKER pro tempore. Without objection, and pursuant to the provisions of 22 U.S.C. 276d, the Chair announces the Speaker's appointment of the following Members of the House to the United States delegation of the Canada-United States interparliamentary group: Mr. DRIER of California, Mr. UPTON of Michigan, Mr. GIBBONS of Florida, Mr. DE LA GARZA of Texas, Mr. OBERSTAR of Minnesota, Mr. JOHNSTON of Florida, Mr. PETERSON of Minnesota, Mr. DANNER of Missouri, Mr. UNDERWOOD of Guam, and Mr. FRAZER of the Virgin Islands.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1996, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. MEEHAN] is recognized for 5 minutes.

[Mr. MEEHAN addressed the House. His remarks will appear later in the Extensions of Remarks.]