Mr. Speaker, I include for the RECORD the following section-by-section analysis:

H.R. 28—RURAL MULTIFAMILY RENTAL HOUSING LOAN GUARANTEE EXTENSION ACT OF 1997

SECTION BY SECTION ANALYSIS

SECTION 1. SHORT TITLE.—The title is cited as the ''Rural Multifamily Rental Housing Loan Guarantee Extension Act of 1997.''

SEC. 2. LOAN GUARANTEES FOR MULTIFAMILY RENTAL HOUSING IN RURAL AREAS.—This section amends Section 538 of the Housing Act of 1949 to provide a permanent authorization of appropriations and permanent authority to the [US Department of Agriculture] Secretary to guarantee rural housing multifamily loans.

□ 1500

Mr. LAZIO of New York. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from New York [Mr. LAZIO] that the House suspend the rules and pass the bill, H.R. 28.

The question was taken.

Mr. LAZIO of New York. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. LAZIO of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 28.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PREVENTING PRISONERS FROM BEING CONSIDERED PART OF HOUSEHOLD UNDER FOOD STAMP ACT OF 1977

Mr. SMITH of Oregon. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1000) to require States to establish a system to prevent prisoners from being considered part of any household for purposes of determining eligibility of the household for food stamp benefits and the amount of food stamp benefits to be provided to the household under the Food Stamp Act of 1977.

The Clerk read as follows:

H.R. 1000

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STATES REQUIRED TO ESTABLISH SYSTEM TO PREVENT PRISONERS FROM BEING CONSIDERED PART OF ANY HOUSEHOLD UNDER THE FOOD STAMP ACT OF 1977.

(a) IN GENERAL.—Section 11(e)(20) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(20)) is amended to read as follows:

''(20) that the State agency shall establish a system and take action on a periodic basis—

''(A) to verify and otherwise assure that an individual does not receive coupons in more than one jurisdiction within the State; and

''(B) to verify and otherwise assure that an individual who is officially detained in a correctional, detention, or penal facility administered under Federal or State law is not considered to be part of any household participating in the food stamp program, except to the extent that the Secretary determines that extraordinary circumstances have made it impracticable for the State agency to obtain the information necessary to do so.''.

(b) PENALTY.—Section 11(g) of the Food Stamp Act of 1977 shall apply, in accordance with its terms, to any failure of a State agency to comply with section 11(e)(20)(B) of such Act.

(c) CONFORMING AMENDMENT.—Section 11(e)(8)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)(E)) is amended by inserting ''or (20)(B)'' after ''(16)''.

(d) APPLICATION OF AMENDMENTS.—The amendments made by this section shall not apply with respect to certification periods beginning before the end of the 1-year period that begins with the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. SMITH] and the gentlewoman from North Carolina [Mrs. CLAYTON] each will control 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SMITH of Oregon asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Oregon. Mr. Speaker, I rise in support of H.R. 1000, a bill that requires States to establish a system to verify that individuals detained in Federal, State, or county penal facilities are not counted as household members for the purposes of determining eligibility of the level of benefits in the Food Stamp Program.

On March 10, 1997, the General Accounting Office released a report entitled, ''Food Stamps: Substantial Overpayments Result From Prisoners Counted as Household Members.'' As a result, the General Accounting Office estimates that $3.5 million in food stamp benefit overpayments were made in the year 1995.

The Congressional Budget Office has analyzed H.R. 1000 and has concluded requiring a verification system will reduce food stamp benefit overpayments and save an estimated $6 million by fiscal year 2003. Although States and the Federal Government will incur a slight cost to establish the verification system in fiscal year 1998, that cost will be more than offset in subsequent years.

Based on the findings and conclusions of the General Accounting Office, I believe that the verification system requirement of H.R. 1000 is a cost effective method of preventing prisoners from being counted as members of food stamp households with a minimum burden or inconvenience on food stamp recipients and States. Additionally, requiring this verification will identify and reduce program fraud and increase the collection of benefit overpayments. I urge my colleagues to support H.R. 1000.

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

Mrs. CLAYTON. Mr. Speaker, I have been a tireless advocate along with many of my colleagues in fighting hunger in the United States. The bill before us today is aimed at helping to ensure that the funds allocated by the Federal Government for the food stamp program actually go to feed those who are hungry.

In fiscal year 1995, USDA issued over $22 billion in benefits. Some 26 million Americans were helped by these funds. Congress passed legislation last year to cut the food stamp program by $23 million through the year 2002. So the total appropriation for fiscal year 1997 is $23.3 billion, $1 billion less than they were in fiscal year 1996, which was $24.3 billion.

This bill, H.R. 1000, is designed to ensure that we concentrate those declining resources to make sure that those who are in actual need get that help.

Although the Food Stamp Act automatically disqualifies people who were institutionalized from inclusion in participating households because they receive meals during their sentences, oftentimes the food stamp administrative agency is not notified that a member of a household has been incarcerated.

A GAO audit recently published a report which found out of four States studied for calendar 1995, California, Florida, New York, and Texas, 12,138 inmates were included in household food stamp benefits, resulting in an estimated $3.5 million that was not directed to needy families.

H.R. 1000 will help prevent this from happening in the future as it requires States to establish a system to verify that individuals detained in Federal, State, and county penal institutions are not counted as household members for the purpose specified by the Food Stamp Program.

In fact, a database already exists for States to check. The Social Security Administration maintains such a database, as it too is required to check for inmates participation.

In addition, this legislation takes into account the needs of the various States and permits them some flexibility. Mr. Speaker, I urge every Member of this body to support this legislation as we consider it under suspension of the rules, so that limited funds that we do have allocated to the Food Stamp Program go actually to those who are eligible and to those who are hungry.

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

Mr. SMITH of Oregon. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. GOODLATTE], the chief sponsor of this legislation.

Mr. GOODLATTE. Mr. Speaker, I thank the chairman of the committee for yielding me this time as well as for his strong support for this legislation.

Mr. Speaker, I rise in support of H.R. 1000, a bill I introduced to require States to establish a system to verify that individuals detained in Federal, State, city, or county penal facilities are not counted as household members for purposes of determining eligibility or the level of benefits in the Food Stamp Program.

The General Accounting Office recently released a report on its review of prisoners counted as household members in the Food Stamp Program. Currently, prisoners are not permitted to be included in food stamp households or receive food stamp benefits, nor should they be. Despite this prohibition, GAO's limited review discovered over 12,000 prison inmates who were included in food stamp households resulting in $3.5 million in food stamp overpayments. The bill before the House today requires States to set up a system to enforce the current prohibition in the Food Stamp Act.

I believe that the GAO report identified a problem which is a significant concern. I believe that public confidence and support of the Food Stamp Program are undermined when a household receives a higher level of food stamp benefits than an identically situated household simply because the household receiving more food stamp benefits is illegally counting an incarcerated individual as a member, who is, after all, receiving three squares a day in the slammer.

This concern is furthered by GAO's conclusion that a cost effective matching technique can be used to prevent this problem, but that many States have not done so.

H.R. 1000 requires States to establish a system to verify that individuals detained in Federal, State, or county penal facilities are not counted as household members for purposes of determining eligibility or the level of benefits in the Food Stamp Program.

H.R. 1000 allows States to avoid establishing a verification system if the Secretary of Agriculture determines that extraordinary circumstance have made it impractical for the State agency to obtain the information necessary to establish such a system. I believe that this exception should be invoked by the Secretary in rare and truly extraordinary circumstances. An extraordinary circumstance would include when a State does not have computerized records of its State or county inmate population. Under such circumstances, the State could have great difficulty establishing a verification system and the Secretary may be justified in granting an exception. I would expect, however, that in such circumstances the exception to be narrowly tailored to address the specific situation.

If a State fails to comply with the requirements of this bill, the penalty provisions of section 16(g) of the Food Stamp Act apply. This provision provides the Secretary notify the State that it is in noncompliance. If a State continues to fail to establish a verification system, the Secretary may withhold a portion of the State's administrative funds.

Under the Food Stamp Program, one-half of the State's administrative costs are paid by the Federal Government. Additionally, the Secretary may request the Attorney General to seek an injunction ordering a State to establish a verification system.

The Food Stamp Act requires that States attempt to collect overpayments made to food stamp households. As an incentive to States, each State retains a portion of the overpayments its collects. States retain 35 percent of overpayment collections resulting from intentional program violations and 20 percent of overpayment collections resulting from recipient error. By identifying overpayments that have previously gone undetected, the verification system required by H.R. 1000 will enhance each State's abilities to identify and collect overpayments. Because States retain a portion of these collections, any increase results in additional funds for the States, clearly making this not an unfunded mandate.

Finally, H.R. 1000 provides States with 1 year from the date of enactment to comply with the provisions of this bill without risk of penalty.

Mr. Speaker, I urge my colleagues to support H.R. 1000. It is an important bill that deserves their attention and full support.

Mr. STENHOLM. Mr. Speaker, food stamp rules make quite clear that residents of most institutions are not eligible to participate in the Food Stamp Program. Yet, according to GAO, thousands of prisoners are being counted as members of food stamp households, resulting in those households receiving more food stamps than they should. GAO has recommended that the Food and Consumer Service encourage States to implement periodic computer matches of data on State and local prison inmates with data on food stamp participants.

H.R. 1000 goes several steps further than this recommendation. It requires States to perform such periodic verifications and also requires that the matches be not only of State and local prison inmates but of Federal inmates as well. It includes a provision allowing the Secretary of Agriculture to exempt from this requirement any State having circumstances making it impractical to perform the matches, such as a lack of a central computerized data base for its prison population. States will have 1 year from the date of enactment to comply with the new requirement.

Several States, such as Texas, already conduct such matches. Other States have plans to begin conducting these matches in the future. This bill will provide the impetus for most States to perform periodic matches, thereby saving the taxpayers at least $1 million a year. It is a good bill, and I urge your support of it.

Mrs. CLAYTON. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Oregon. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 1000.

The question was taken.

Mr. SMITH of Oregon. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

RELEASE OF REVERSIONARY INTEREST REGARDING CERTAIN PROPERTY IN IOSCO COUNTY, MICHIGAN

Mr. SMITH of Oregon. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 394) to provide for the release of the reversionary interest held by the United States in certain property located in the County of Iosco, MI.

The Clerk read as follows:

H.R. 394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RELEASE OF REVERSIONARY INTEREST REGARDING CERTAIN PROPERTY IN IOSCO COUNTY, MICHIGAN.

(a) RELEASE REQUIRED.—The Secretary of Agriculture shall release the reversionary interest of the United States in the parcel of real property described in subsection (b), which was retained by the United States when the property was conveyed to the County of Iosco, Michigan, in 1960 pursuant to a deed recorded at Liber 144, beginning page 58, in the land records of the County.

(b) DESCRIPTION OF PROPERTY.—The parcel of real property referred to in subsection (a) consists of 1.92 acres in the County of Iosco, Michigan, and is described as follows:

That part of the N.W. ¼ of the S.E. ¼ of Section 11, T. 22 N.R. 8 East., Baldwin Township, Iosco County, Michigan described as follows: Commencing at the Center of said Section 11, thence South 89 degrees, 15′ 41″ East, along the East-West ¼ Line of said Section 11, 102.0 feet, thence South 00 degrees 08′ 07″ East, along an existing fence line, 972.56 feet, thence North 89 degrees 07′ 13″ W. 69.70 feet to a point in the North-South ¼ Line, thence North 02 degrees 02′ 12″ West, along said North-South ¼ Line, 973.42 feet to the Point of Beginning.

(c) ADDITIONAL TERMS.—The Secretary may require such terms or conditions in connection with the release under this section as the Secretary considers appropriate to protect the interests of the United States.

(d) INSTRUMENT OF RELEASE.—The Secretary shall execute and file in the appropriate office or offices a deed of release, amended deed, or other appropriate instrument effectuating the release of the reversionary interest under this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. SMITH] and the gentlewoman