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Senate

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, whose faithfulness is consistent, whose mercies are new every morning, and whose patience persists when we least deserve it, we praise You for bringing us through another week of work in this Senate. You have given the Senators strength and courage to battle for truth as they see it, deal with differences, and keep the bond of unity. This week has had times of conflict and contention and times of unity and oneness. Thank You for holding the Senators together with oneness as fellow patriots in spite of the wins and losses. The very nature of our system fosters party spirit and passionate debate, but You maintain the mutual esteem and trust required to continue to work together. Unseen but powerful Sovereign of all, we thank You for Your presence in this Chamber. Continue to grant us the virtue of humility that keeps us open to You and to one another. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the senior Senator from New Mexico, is recognized.

SCHEDULE

Mr. DOMENICI. Mr. President, in behalf of the majority leader, I have the following statement.

This morning the Senate will immediately proceed to a stacked series of rollcall votes with respect to the VA-HUD appropriations bill. The first vote in the series will be a 15-minute vote with all succeeding votes in the series being limited to 10 minutes each. Up to six rollcall votes can be expected. Hopefully, that series of votes will include passage of the VA-HUD appropriations bill.

Following disposition of that bill, the Senate is also expected to consider the legislative appropriations bill. However, any votes ordered with respect to the legislative branch appropriations bill will be postponed, to occur on Tuesday, July 21, the time to be determined by the two leaders.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, leadership time is reserved.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2168.

The legislative clerk read as follows:

A bill (S. 2168) making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wellstone/Murray/McCain amendment No. 3199, to restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century.

Murkowski amendment No. 3200, to provide land allotments for certain Native Alaskan veterans.

Nickles amendment No. 3202, to provide for an increase in FHA single family maximum mortgage amounts and GNMA guaranty fee.

Burns amendment No. 3205, to provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles.

Sessions amendment No. 3206, to increase funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program.

AMENDMENT NO. 3199

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment. There are 2 minutes of debate equally divided.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DOMENICI. Mr. President, could we have order, please.

The PRESIDING OFFICER. The Senate will come to order.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I offered this amendment on behalf of Senator MURRAY, Senator MCCAIN and myself. This amendment speaks to an injustice. This amendment would restore benefits to veterans for smoking-related diseases. We had a lot of smoke and mirrors, we did a lot of things in the budget resolution that we should not have done. We have never had an up-or-down vote.

What this amendment essentially says is we should not have used that offset for highways, taking benefits that go to veterans. It is that clear.

Mr. President, let me just be crystal clear. There have been a lot of OMB stories that I would question. I believe there will not be that much that will be required, but this funding ought to go to veterans. In fact, I would argue you will never get the $17 billion for highways, and we will ultimately have to go to surplus anyway. I have heard my colleagues talk about the surplus that we are going to have. We can at

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least take a little bit of that surplus and give it back to veterans. We never should have taken their benefits away. It was an injustice. This amendment by Senator MURRAY, Senator MCCAIN, and myself would restore those benefits.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. MURRAY. Mr. President, as a member of the Appropriations Committee, I do strongly support the work of Chairman BOND and Senator MIKULSKI. I do not take challenging an appropriations bill lightly. However, in this instance, I feel strongly that I must join my colleagues Senator WELLSTONE and Senator MCCAIN in seeking to repeal the veterans grab contained in the recently adopted transportation and IRS legislation.

The bill before us today is a veterans bill. It funds health care and I thank the leaders of this subcommittee for increasing health care funding by more than $200 million. This increase in health care funding is my number one veterans priority. I also strongly support the subcommittee's work on VA medical research, the national cemetery system, and homeless veterans. These are all very important programs.

However, I continue to oppose the veterans offset used to fund increases in transportation. These cuts have been attached to politically popular bills. The transportation legislation and the IRS reform bill both passed by overwhelming and bipartisan margins. Both were admirable pieces of legislation with the exception of the veterans grab hidden within those bills.

I have been fighting this veterans grab all year. It was in the President's budget and I opposed it. At the Budget Committee, I voted against Democratic and Republican proposals that included the disastrous cuts to veterans health. And on the Senate floor, I voted against the Craig/Domenici amendment to validate the $10 billion cut in veterans funding and against the budget one final time in opposition to these cuts to veterans.

Just last week, I asked the Senate to sustain a point of order on the IRS reform bill to support my effort to strike the veterans cuts. That most recent effort failed by one vote. One vote.

My colleagues need to know that this issue is not going to go away. This issue has touched a nerve with America's veterans. They are deeply offended that the Congress and the Administration would divert money targeted to care for sick veterans to pay for other spending priorities. That's why Senator WELLSTONE, Senator MCCAIN, Senator ROCKEFELLER, and I will keep coming back.

Our efforts to repeal the $17 billion veterans grab have been denied through procedural maneuvers. Some may think this insulates them from accountability. It does not. Veterans know that procedural moves are being used to block a straight up or down vote on this issue.

This amendment is a special opportunity for the Senate. With our votes for Wellstone-Murray-McCain, we can send a very clear message to veterans all across our country. Passage says that the United States Senate recognizes that using veterans funding for other spending priorities is wrong. Passage of this amendment says to veterans that we are moving to restore this funding to where it belongs. The $17 billion belongs at the VA.

I urge my colleagues to support the Wellstone-Murray-McCain amendment to repeal the veterans cuts associated with the transportation legislation.

Mr. CONRAD. Mr. President, I want to express my strong support for the amendment offered by the Senator from Minnesota to restore veterans' disability benefits for smoking-related illnesses. Earlier this year, the Senate made a mistake. In order to help pay for the highway bill, it reduced veterans' disability benefits. Specifically, it overturned a decision by the General Counsel at the Department of Veterans' Affairs that smoking related illnesses were service connected and could qualify a veteran for VA disability and health benefits.

As I said, the Senate made a mistake when it did this, but I want the record to show that I strenuously opposed this mistake. Throughout the budget process and deliberations on the highway bill, I consistently opposed efforts to pay for the highway bill by reducing VA disability benefits. In fact, during consideration of the Senate Budget Resolution for Fiscal Year 1999, I voted against the Domenici amendment that cleared the way for this raid on veterans' benefits. And during consideration of the tobacco bill, I cosponsored the McCain amendment to use a portion of tobacco revenues to fund veterans' health benefits.

I took those actions and I support this amendment for one very simple reason. It's the right thing to do. We all know that the U.S. military encouraged the use of tobacco products by young service members. We all know that the tobacco companies provided cigarettes to the Pentagon free of charge. In return, the military for years distributed free cigarettes in C-rations and K-rations. Military training included smoking breaks. And until very recently, cigarettes were available on military bases at vastly reduced prices.

Mr. President, it could not be more clear that the Federal government has a responsibility to our veterans to help them cope with illnesses that they acquired after the government encouraged them to get hooked on tobacco products in the first place. The Federal government should not walk away from this responsibility. It should not deny veterans' benefits for smoking related illnesses.

This amendment rights the wrong we did to veterans earlier this year. It restores benefits to those who put their lives on the line for our country. When the Senate passed the highway bill, I assured veterans in my State that I would work to correct the injustice that it contained. This amendment does exactly that. I urge my colleagues to support the amendment.

Mr. FAIRCLOTH. Mr. President, as a veteran, I rise in strong support of this amendment to restore funds for service-related medical conditions that result from tobacco use. This amendment offers a chance to reverse that cut, which the Clinton Administration proposed earlier in this process, and to reiterate our commitment to veterans.

I voted for the transportation bill that included this cut because the bill increased North Carolina highway funds by more than $1.5 billion. I put a lot of hard work into that highway bill, and, certainly, there is not a member of the Senate more committed to a safe and efficient transportation infrastructure than I. However, after further review in the relevant committees over the past several months, this cut was exposed to some sunlight and revealed as a rush to judgment and a disservice to American veterans.

Frankly, this episode illustrates that we need to be better attuned to veterans issues, and we need to be more cautious about the effects of these provisions. As a veteran of the United States Army and the junior Senator from North Carolina, a State that is home to some 700,000 former soldiers, I cherish opportunities to serve our veterans. For example, I set up small constituent services offices across North Carolina to best service their needs, because I know that not all veterans—certainly not those wounded in the line of duty—are as mobile as the general population.

I urge the Senate to fulfill our commitment to American veterans. The facts are now clear. This amendment presents a clear choice. Yes or no. We stand with veterans or we do not. I choose to stand with those who served our flag and our nation in her times of need.

Mr. ROCKEFELLER. Mr. President, I support my colleagues, Senator WELLSTONE and Senator MURRAY, in their efforts to restore the veterans benefit that was unjustly cut to pay for unprecedented increases in the highway bill.

Adoption of this amendment would restore the former state of the law, by reinstating disability rights for veterans, while still fully preserving each and every highway project that was included in the highway bill and in the corrections bill that was covertly attached to the IRS Restructuring bill.

Prior to the enactment of the highway bill, the law required the payment of disability compensation to veterans who could prove that they became addicted to tobacco use while in military service, if that addiction continued without interruption, and resulted in an illness and in disability. The conference report on the highway bill rescinded this compensation to disabled veterans, generating $17 billion in ''paper savings'' to fund an unprecedented increase in ISTEA.

Of course, anyone familiar with these claims for compensation for tobacco-related illnesses knows that OMB's cost estimate is just a guess. Since 1993, VA has received less than 8,000 claims, and has only granted between 200–300. In arriving at its $17 billion estimate, the Administration, for some unexplained reason, estimated that 500,000 veterans would file tobacco-related claims each year. The actual cost to VA for claims filed over the last six years has been a few million dollars, not anywhere near the $17 billion estimate.

I will again remind my fellow Senators who think that subsequent actions have discharged any further responsibility to these veterans, that so far, the Congress has done nothing to undo this wrong. An amendment was adopted to direct a portion of the proceeds from the tobacco bill to VA health care—but it was only for health care, and not for compensation, that is, monthly disability benefits for tobacco-related illnesses. But now there is no tobacco bill. So that effort is meaningless.

There were also some provisions in the highway bill that provided enhancements to some very important VA programs—the GI Bill, grants for adaptive automobile equipment, and reinstatement of benefits to surviving spouses, to name a few. But the veterans community was not bought off by the spending of only $1.6 billion on veterans programs, with the remaining $15.4 billion going to highway increases.

Finally, the text of H.R. 3978, the highway corrections bill, was covertly attached to the IRS Restructuring Conference Report. Although this Report contains some improved language, as it strikes references to smoking being ''willful misconduct,'' it still cut off compensation for tobacco-related illnesses for the overwhelming majority of veterans. It does not truly help veterans. Instead, it is another nail in their benefits coffin.

The amendment that Senators WELLSTONE and MURRAY put forth today is our only real opportunity thus far to right this wrong and correct the injustice done to America's veterans. The issue before the Senate now is simply whether we are going to continue to wrongly deny disabled veterans the rights they had under law. It is a simple choice—and I hope my colleagues will now choose to ''do right'' by veterans.

Mr. DOMENICI. Mr. President, I yield back 1 minute I have in rebuttal.

Mr. REID. Mr. President, I have a unanimous consent request.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent that the No. 3 vote, Nickles-Kohl, be the No. 2 vote—before Murkowski.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. We have no objection.

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

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, parliamentary inquiry. With the time having expired, is a point of order in order at this time?

The PRESIDING OFFICER. Yes, a point of order is in order.

Mr. DOMENICI. Mr. President, I rise to make a point of order that the pending amendment by Senator WELLSTONE that would repeal the provisions of the Transportation Equity Act for the 21st Century, T21, that pay for the additional highway and transit spending in that bill violates section 302(f) of the Congressional Budget Act.

Everybody should understand that we have already passed and the President has signed an ISTEA bill. The moneys that are encapsulated in the amendment by Senator WELLSTONE would now have to come out of that bill, and as a matter of fact this particular VA-HUD bill before us would get charged with $500 million and thus make it break its cap because we would be spending $500 million in directed spending in this bill that does not come within the caps.

So here is the practical effect of this amendment. Should this $500 million in spending come out of the programs in this bill or any other bill that has yet to be considered by the Senate—Interior, Transportation, Commerce, Justice, Labor-HHS, Foreign Operations—if this additional spending is not ultimately offset in some fashion, the overall spending caps would be violated by $500 million and a sequester would be the end result with all nondefense programs being cut $500 million.

Finally, I must alert my colleagues that if this provision stands in the final bill, not only the fiscal year 1999 appropriations bill will be charged the cost but the nondefense discretionary spending caps will be reduced by $15 billion for the years 2000–2002. That is the amount of the mandatory spending that would occur under T21 and not be paid for by this repeal.

The issue has been fully debated. We debated it in the Chamber when we were taking up ISTEA. It has been up in its totality one additional time and partially one other time. I believe we have spoken. We have voted. I particularly urge that the Senate not open this matter at this late date. This is not a technical point of order. This is a serious point of order. If this amendment passes, essentially we will add $15 billion to the expenditures under the caps, meaning that all other programs will bear cuts related to that. And in this particular year, $500 million will have to be cut from all of the domestic programs that we have unless we raise the caps by $500 million—break the budget and raise the caps by $500 million.

Mr. President, I do not choose to debate the substance of this issue. I assume it was discussed yesterday by the distinguished prime sponsor of this amendment. But I submit that in this bill, veteran spending is going up, not down. In this bill before us, and in the ISTEA bill, the veterans of America have received substantially more money than they got last year. In addition, a $1.5 billion new add-on for the education programs for veterans occurred in the ISTEA bill.

So we are doing our job in behalf of veterans and we need not visit this once again and cut all the programs of Government by the amounts I have discussed here today.

So I raise a point of order, subject to the provisions that I have heretofore enumerated.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

MOTION TO WAIVE BUDGET ACT

Mr. WELLSTONE. If I can have but 30 seconds and then I will move on this. I say to my colleagues, this is an up-or-down vote on whether we restore the benefits. I used the same gimmick that was used with direct scoring. There is no sequestration at all in this amendment. None of what my colleague from New Mexico has just said is going to happen.

I move the Budget Act be waived. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''no.''

Mr. FORD. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER (Mr. DEWINE). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—54 yeas, 40 nays, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—54

Akaka	D'Amato	Kerry
Ashcroft	Daschle	Kohl
Bennett	Dorgan	Landrieu
Biden	Durbin	Lautenberg
Bingaman	Faircloth	Leahy
Bond	Feingold	Levin
Boxer	Feinstein	Lieberman
Breaux	Ford	Mikulski
Bryan	Graham	Moseley-Braun
Bumpers	Harkin	Moynihan
Byrd	Hollings	Murray
Campbell	Hutchison	Reed
Cleland	Jeffords	Reid
Collins	Johnson	Robb
Conrad	Kennedy	Rockefeller
Coverdell	Kerrey	Sarbanes

Snowe	Thurmond	Wellstone
Specter	Torricelli	Wyden

NAYS—40

Abraham	Gramm	Murkowski
Allard	Grams	Nickles
Baucus	Grassley	Roth
Brownback	Gregg	Santorum
Burns	Hagel	Sessions
Chafee	Hatch	Shelby
Coats	Hutchinson	Smith (NH)
Cochran	Inhofe	Smith (OR)
Craig	Kempthorne	Stevens
DeWine	Kyl	Thomas
Domenici	Lott	Thompson
Enzi	Lugar	Warner
Frist	Mack	
Gorton	McConnell	

NOT VOTING—6

Dodd	Helms	McCain
Glenn	Inouye	Roberts

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 40. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. DOMENICI. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3202

The PRESIDING OFFICER. The question is now on the Nickles amendment. There are 2 minutes equally divided.

Who yields time?

Mr. BOND. Mr. President, in order to facilitate the discussions on two of the remaining amendments, I ask unanimous consent that the vote to follow the vote on the Nickles amendment be the Sessions amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, the amendment that I have offered on behalf of myself, Senator COATS, Senator MACK, Senator ALLARD, Senator FAIRCLOTH, and Senator FEINGOLD, strikes the increase in the FHA guarantee that right now is—last year it was $160,000, and under present law it goes to $170,000. The committee wants to take it up to $197,000. This is a Federal guarantee, 100 percent guarantee, saying we are going to guarantee mortgages up to $197,000.

You have to have income of $75,000 or $80,000 to be able to afford that kind of mortgage. FHA is supposed to be guaranteeing loans for people with low and moderate incomes, not high incomes. I urge my colleagues to adopt this amendment.

I yield the balance of my time to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank my colleague for yielding.

This program was always intended to aid low- and middle-income home buyers. It was never intended to be of assistance to the high-income home buyer. The high-income home buyer belongs in the private mortgage insurance business. This amendment recognizes that. I urge my colleagues to support this amendment.

Mr. D'AMATO. Mr. President, I rise today to join Senator BOND, Senator MIKULSKI, Senator SARBANES, and others in opposition to the amendment offered by Senator NICKLES. This amendment would strike the increase for Federal Housing Administration (FHA) loan limits in high cost areas and double the guaranty fees charged by the Government National Mortgage Association (GNMA). I strongly oppose this amendment which would unfairly deny homeownership opportunities for moderate-income families in high cost areas and could increase housing costs for all FHA and Veterans Affairs (VA) home loan borrowers.

I commend Senator BOND, Senator MIKULSKI, and the Appropriations Committee for including an increase in the FHA loan limits for both low-cost areas, including isolated rural areas, as well as for high cost areas, such as Long Island and New York City in my home state of New York. The Committee's inclusion of modest increases in the FHA loan-limits will create fairness by allowing Americans in high- and low-cost areas to also have the opportunities for homeownership which are provided by FHA to their fellow Americans.

Mr. President, the FHA program is a true American success story, having provided an opportunity for homeownership to approximately 25 million families since its inception in 1934. It has served as the predominant player in the home mortgage market for low-income and minority borrowers, first-time home buyers and borrowers with high loan-to-value ratios. It operates in all regions, regardless of economic downturns. According to a 1996 Federal Reserve Board study, FHA bears about two-thirds of he aggregate credit risk for low-income and minority borrowers.

FHA loans have made homeownership possible for many Americans who otherwise could not have qualified for mortgage credit. FHA generally differs from conventional lenders in the following ways: downpayments may be as low as 3 percent; closing costs may be financed; credit rating requirements are more flexible; monetary gifts may be used for downpayments; and a borrower may carry more debt.

Mr. President, I acknowledge there are important questions that must be answered regarding FHA's current operations, including instances of foreclosures. The General Accounting Office and the HUD Inspector General have repeatedly expressed concerns regarding material weaknesses affecting the FHA program—such as staffing deficiencies, the lack of Year 2000 compliance, improper monitoring of the single-family property inventory, and insufficient early warning and loss preventions systems.

HUD foreclosures have devastating effects on our families and our neighborhoods. Rundown properties left to stand vacant for months on end often become magnets for vandalism, crime and drug activity. These conditions decrease the marketability of the houses, increase HUD's holding costs, drive down the costs of surrounding homes, and in some cases threaten the health and safety of neighbors.

HUD must do more to reduce default risks and mitigate losses. And if foreclosure prevention efforts fail, properties must be disposed of more quickly to protect our neighborhoods.

The increases provided in this appropriations bill respond to inequities in home purchase prices that exist across our nation. Americans in high- and low-cost areas should not be denied the opportunity for homeownership simply because of the geographic regions in which they live. I strongly support Senator BOND and Senator MIKULSKI's initiative to right this wrong in high-cost urban and low-cost rural areas. The FAA loan-limit increase, for high-cost and low-cost areas, will allow more Americans equal access to median purchase homes with the needed help of FHA. FHA will still help to provide new and existing entry-level starter homes, not large or luxury homes. In fact, in the 32 high-cost areas across America where loan limits would be increased, the median price of a starter home is often twenty to thirty percent higher than the current maximum loan limit. In 1996, the average homeownership rate in these areas was approximately fifty eight percent, compared to a national rate of approximately sixty five percent. Clearly, the American Dream of homeownership is out of reach for too many hardworking moderate income families in these high cost areas.

Mr. President, FHA's current loan limits do not adequately reflect the reality of housing prices in high cost areas. Portions of 43 metropolitan areas have median home prices at or above the current $170,362 high-cost limit. In the Dutchess County area, the median home sales price in 1997 was $175,000. In the Nassau-Suffolk area, the median home sales price was $195,000. And in New York City, the median home sales price was $208,000.

Mr. President, 52.5 million people reside in high cost areas–comprising twenty one percent of the nation's population. It is inherently unfair that over 50 million Americans should not have the same opportunities through the FHA that other Americans have.

American working families would benefit from the proposal, not the wealthy. The average FHA borrower has a family income of $40,800. According to HUD, the limit increases included in this bill would barely raise the average homeowner borrower income level. However, some borrowers would need an income of $70,000 to

qualify for a $197,000 mortgage. In New York City or on Long Island, a family income of $70,000 is a typical two wage-earner family. These are middle class families—schoolteachers, policemen, and civil servants—raising children and struggling to pay their bills. In Nassau and Suffolk counties the median income of a family of four is $63,400. Wages are higher in Long Island because the cost of living is higher. And home purchase prices are higher—which is why this increased adjustment is necessary. The high cost limit increase would simply grant these areas parity—not an underserved advantage.

I am very pleased that the increase in the base limit will rural Americans in low-cost counties where existing housing may be substandard, the opportunity to purchase new homes. New York also has many low-cost areas, such as Buffalo, Elmira, Glens Falls, Jamestown-Dunkirk, Syracuse and Utica-Rome, which would be helped by the low-cost increase. I urge my colleagues from the states without high-cost areas to also be sympathetic to Americans in high-cost cities and suburbs, where home prices are higher due to high land, material and labor costs.

Also, I urge my colleagues to not support doubling the guaranty fee charged by GNMA. There is no actuarial need for this proposal which would affect all regions of the country and could increase consumer costs for FHA and VA loans. This proposal is strongly opposed by numerous veterans' organizations. I ask unanimous consent that a letter in opposition to the amendment, signed by AMVETS, the Disabled American Veterans, the Blinded Veterans' Association, the Paralyzed Veterans of America, and the Non Commissioned Officers' Association of the USA be printed in the RECORD. In addition, I ask unanimous consent that a memorandum prepared by the Congressional Research Service for the Senate Banking Committee on this subject be entered into the RECORD.

Mr. President, the modest, prudent loan limit increases contained in this bill are a compromise and do not reach the $227,150 national limit requested by the Administration.

The proposed changes will assist potential homebuyers—first time homeowners, minorities, urban dwellers and rural Americans—who are not currently served by FHA or the conventional market—but whom should rightly qualify under FHA's existing mission.

I respectfully urge the defeat of the amendment proposed by my colleague from Oklahoma, Senator NICKLES.

Mr. President, let me tell what you is happening now. We have over 50 million Americans who are being shut out of an opportunity to use FHA insurance, and they are not high income. Three million live in Long Island alone. These high cost areas include Levittown, Long Island, which saw such rapid expansion of home ownership for the first time for working middle-class families after World War II—where, today you can't buy a home with FHA because the median home price was $195,000 in 1997—well above the current FHA limit of $170,000. That is the median price for all of Long Island—where over 3 million live; in all, there are 11.5 million New Yorkers living in high cost areas, and they are not wealthy. They have incomes of $50,000 to $70,000, they are two-wage earner families, raising children, and you are shutting them out of home ownership.

We need this increase. It is not for wealthy people. It is for working middle-class families.

Mr. BOND. I yield the remaining time to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I stand in opposition to the Nickles amendment. Let me share why I support the FHA loan limit increase included in the Appropriations Committee bill.

FHA is a critical tool for first time home buyers, low and moderate income buyers, and minority buyers.

FHA will help us meet new market realities, but in a way that does not expose taxpayers and communities to a big buck liability in the event of FHA foreclosures.

Our Senate bill will raise the FHA loan limit in high cost areas from $170,000 to $197,000.

It will also raise the limit in low cost areas from $86,000 to $108,000.

Mr. President, home ownership is a critical step in a person or family's attempt to obtain assets and to becoming a more permanent fixture in a community.

Like many of my colleagues, I share the concern about the affect that foreclosures can have on individuals' credit and the stability of a community.

My own hometown of Baltimore has been a victim of foreclosures harming neighborhoods.

But in our bill we have provided a modest increase that does not raise the limit too much too quickly.

Our objective is clear, for those who FHA serves, ensure that it is a useful tool.

The objective is not to put the private mortgage insurance companies out of business or to move FHA away from providing for low and moderate income buyers.

I believe that the FHA provision included in the Senate bill before us is good for Maryland and good for the nation.

I believe that this is a positive step in rewarding investment and provides relief to working families.

I encourage my colleagues to oppose the Nickles amendment and support the Appropriations Committee's attempt to help home buyers across the country.

Mr. President, what this legislation does is provide an opportunity for first-time home ownership. It does not put private mortgage insurance companies out of business.

It is a good thing to do.

Mr. BRYAN. Mr. President, the Federal Housing Administration (FHA) has enabled millions of individuals across the country to purchase their first home and realize a piece of the American dream.

I know this firsthand because my wife and I bought our first home when we were newly married with an FHA loan.

There are many families today who would not own their home if it were not for the Federal Housing Administration's single family insurance program.

The Federal Housing Administration was created to promote home ownership and stimulate the construction of housing by encouraging financial institutions to make loans to those who did not have adequate resources for a down payment.

Since then, FHA has evolved into a program which gives first-time home buyers and under served borrowers greater access to mortgage credit.

It is a financially sound system that not only works well, but works well at no cost to the taxpayer.

The state of Nevada is the fastest growing state in the country and, as in many states, the real estate activity in Nevada is an important aspect of our economy.

As our population grows, the demand for new housing increases.

And as we all know, the cost of new homes in many cases is more expensive than existing ones.

In Nevada, for example, many first-time home buyers rely on FHA to purchase a home.

But as new homes are being built and as the cost of housing rapidly increases in my state, more and more families are unable to secure home ownership.

They simply cannot afford the cost of a home under a conventional loan.

This not only hurts the economy, but it strips away any hope of owning a home.

The loan limit which Senators BOND and MIKULSKI agreed to in the VA/HUD appropriations bill would give more first-time home buyers the opportunity to afford a home who would otherwise not be able to.

The FHA loan limit would increase the high limit from $170,362 to $197,620 and the lower limit from $86,317 to $109,032.

Although the loan limit does not go as far as the President's proposal, which I supported, I believe this proposal is a fair compromise that would benefit our society as a whole.

Let me be clear about the importance to raise both the floor and the ceiling of the FHA loan limit:

First, raising the FHA loan limit would increase home ownership opportunities.

Over the years, the new home portion of FHA's activity has diminished to roughly 6 percent, and only 5 percent of all new homes are now financed with FHA-insured mortgages.

This decrease in FHA's role in the market for new homes is clearly a result of the current mortgage loan limits.

HUD estimates that higher loan limits would enable approximately 60,000 more families—who have been cut out of the market—each year to purchase a home.

Second, FHA is critical to first-time home buyers.

Thousands of families with the ability to make the mortgage payments on a home cannot make the purchase because they lack the up front capital required. Raising the FHA loan limits would give them the chance that they do not have under current home finance options.

Third, raising the limit would enhance FHA's ability to spread risk.

The FHA insurance fund is a financially healthy program and HUD believes that the fund will become stronger when the loan limits are raised.

Both Price Waterhouse and the General Accounting Office note that higher value loans perform better than lower valued loans and that the rate of default is lower for larger loans than for smaller loans.

OMB estimates that raising the loan limits would create excess revenues of $228 million.

Finally, raising the limit would raise revenue for the Treasury and would improve the Government's finances; approximately $225 million in annual revenue would be generated.

Arguments against raising the loan limits are weak and do not live up to the true reality of what is in the best interest of the American people.

Some argue that the very group FHA was created to serve will be pushed along the wayside if loan limits are increased.

Let me remind you that raising the loan limit will increase the average FHA loan amount by 4.2 percent—from $85,500 to $89,109 and the average income by 3.8 percent—from $40,800 to $42,350.

The increase would enable more families to buy a home.

It would not take away from the underserved population.

In fact, since 1992, when the FHA loan limits increased from $124,875 to $170,362, the share of FHA mortgages to low-income borrowers increased from 15.7 percent to 20.1 percent.

Mr. President, it is my hope that my colleagues will join me today and support the increase in the FHA loan limit to $197,000 and reject any measure that threatens the opportunity for many first-time home buyers across the country to own a home.

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

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment, No. 3202.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

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

The result was announced—yeas 69, nays 27, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—69

Abraham	Domenici	Levin
Akaka	Dorgan	Lieberman
Baucus	Durbin	Mikulski
Bennett	Feinstein	Moseley-Braun
Biden	Ford	Moynihan
Bingaman	Frist	Murkowski
Bond	Gorton	Murray
Boxer	Graham	Reed
Breaux	Grassley	Reid
Bryan	Harkin	Robb
Bumpers	Hatch	Rockefeller
Burns	Hollings	Roth
Byrd	Hutchinson	Santorum
Campbell	Hutchison	Sarbanes
Chafee	Inouye	Sessions
Cleland	Jeffords	Shelby
Coats	Johnson	Smith (OR)
Collins	Kennedy	Snowe
Conrad	Kerrey	Specter
Coverdell	Kerry	Stevens
D'Amato	Landrieu	Torricelli
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden

NAYS—27

Allard	Gramm	Lugar
Ashcroft	Grams	Mack
Brownback	Gregg	McConnell
Cochran	Hagel	Nickles
Craig	Inhofe	Smith (NH)
DeWine	Kempthorne	Thomas
Enzi	Kohl	Thompson
Faircloth	Kyl	Thurmond
Feingold	Lott	Warner

NOT VOTING—4

Glenn	McCain
Helms	Roberts

The motion to lay on the table the amendment (No. 3202) was agreed to.

AMENDMENT NO. 3206

The PRESIDING OFFICER. The question is on the motion to table the Sessions amendment. There are 2 minutes of debate, equally divided.

Who yields time?

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, we are a Nation of explorers, a Nation of discoverers. Our people see ourselves in that light; the world sees us in that light.

Unfortunately, for the last 5 years, the great agency of this Government that epitomizes our explorative nature—NASA—has seen a cut in its budget—for 5 straight years. They have reduced personnel by 25 percent since 1993. This is a tragic event. The President's budget this year had a cut of $180 million. The committee restores most of that, but it still represents a $33 million cut again this year.

We need to put an end to that. We need to get back into exploring our solar system and our galaxy. That is who we are as a people. We need to increase the funding. This bill would first have level funding, and then get us on the road next year to increased funding. The money as an offset would come from that portion of the AmeriCorps program that pays people to volunteer. It has been zeroed out in the House, and it is a good offset.

Mr. BOND. Mr. President, I yield 30 seconds to my colleague from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I oppose the amendment and support the motion to table. Yes, this subcommittee is a strong supporter of space and science and technology. We put $150 million more in the NASA budget. But we object to offsetting and cutting national service that provides the opportunity to pay for college education, in which 50,000 have earned their educational awards, a modest amount of money that could be used to help them continue their education. We have worked to improve 100,000 people who have participated in this program.

Don't cut the habits of the heart. Don't cut the habits of the heart for space.

Mr. President, I am a strong supporter of space programs and strongly support investments in science and technology. That's why I worked with Senator BOND to find a $150 million increase for NASA. But, I must strongly oppose cuts to the Corporation for National Service.

The National Service helps to promote the habits of the heart and fosters the volunteer spirit that helped make this country great. To date nearly 100,000 people have participated. They have helped to generate thousands of un-paid volunteers in communities across the country.

The National Service provides assistance to programs like the one run by the Sisters of Notre Dame in Baltimore. This is a critical tutoring service of young people.

Each year over 400,000 young children are tutored by AmeriCorps volunteers who work to help prepare our children to be literate and functional in the 21st century.

Volunteers also work with well respected organizations like the Red Cross, Habitat for Humanity and the YMCA, and provide real help to meet compeling human needs.

In addition the National Service also provides an opportunity for participants to pay for their college education. To date 50,000 have earned their educational awards. A modest amount of money is used to help our young adults.

I urge my colleagues to stand with me as I stand behind our kids. Vote to table the Sessions amendment.

Mr. BOND. Mr. President, as already indicated, we support NASA very strongly. We have added $150 million over that which the people who run the

program have requested. We risk disrupting the compromise that has been made on this bill. In order to pass this bill and to get it signed, we have reached, I think, a good accommodation with the limited dollars.

If this tabling motion does not succeed, I will have to raise the Budget Act point of order because the money that is spent out under this will be above our outlay ceiling.

Therefore, I urge my colleagues to join me in voting to table the amendment.

The PRESIDING OFFICER (Mrs. HUTCHISON). All time has expired.

The question is on agreeing to the motion of the Senator from Missouri to lay on the table the amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Nevada (Mr. REID) are necessarily absent.

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

The result was announced—yeas 58, nays 37, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—58

Akaka	Dorgan	Levin
Allard	Durbin	Lieberman
Baucus	Feingold	Mikulski
Biden	Feinstein	Moseley-Braun
Bingaman	Ford	Moynihan
Bond	Graham	Murray
Boxer	Grassley	Reed
Breaux	Gregg	Robb
Bryan	Harkin	Rockefeller
Bumpers	Hollings	Santorum
Campbell	Inouye	Sarbanes
Chafee	Jeffords	Snowe
Cleland	Johnson	Specter
Coats	Kennedy	Stevens
Collins	Kerrey	Torricelli
Conrad	Kerry	Warner
D'Amato	Kohl	Wellstone
Daschle	Landrieu	Wyden
Dodd	Lautenberg	
Domenici	Leahy	

NAYS—37

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Brownback	Hagel	Roth
Burns	Hatch	Sessions
Byrd	Hutchinson	Shelby
Cochran	Hutchison	Smith (NH)
Coverdell	Inhofe	Smith (OR)
Craig	Kempthorne	Thomas
DeWine	Kyl	Thompson
Enzi	Lott	Thurmond
Faircloth	Lugar	
Frist	Mack	

NOT VOTING—5

Glenn	McCain	Roberts
Helms	Reid	

The motion to lay on the table the amendment (No. 3206) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, there are only two amendments remaining. I believe we have worked out accommodations on the two——

The PRESIDING OFFICER. The Senator will suspend.

Ms. MIKULSKI. The Senate is not in order.

The PRESIDING OFFICER. The Senator is correct.

Mr. BOND. Madam President, for the information of all Senators, I do not think we are going to require any more votes. There are votes on two amendments that have been ordered. I am going to ask that we vitiate the yeas and nays on them. I do not know of any call for a vote, a recorded vote on final passage. The Senator from Alaska and the Senator from Arkansas want to engage in a colloquy before we accept that amendment.

AMENDMENT NO. 3205

Before we do that, however, I ask unanimous consent that the yeas and nays on the Burns amendment be vitiated and that we adopt the amendment by voice vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the Burns amendment.

Mr. BOND. Madam President, the Burns amendment is very important. There was a question whether it was going to be included in the NASA reauthorization. If the NASA reauthorization does move, if that can move, then we would drop the amendment in conference to allow it to be included in the overall NASA reauthorization, but we think it is vitally important for the development of the X–33 that the indemnification be included.

Senator MIKULSKI.

Ms. MIKULSKI. I concur with the position that we are taking here and urge the procedure recommended by the chairman.

Mr. BOND. We are ready to vote.

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

The amendment (No. 3205) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, I now yield to the Senator from Alaska.

AMENDMENT NO. 3200

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

AMENDMENT NO. 3200, AS MODIFIED

Mr. MURKOWSKI. Madam President, I ask unanimous consent to modify my amendment. I believe we have worked out the amendment. I have asked that the yeas and nays be vitiated, which has already taken place.

I submit the modification.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 3200), as modified, is as follows:

At the appropriate place in the bill insert the following:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may convey alternative federal lands, including lands within a Conservation System unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established;

(B) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY AND REPORT.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purposes of this section, the terms 'veteran' and ''Vietnam era'' have the meanings given those terms by paragraphs (2) and (29), respectively, of section 101 of title 38, United States Code.

Mr. MURKOWSKI. Madam President, we have conversed with my good friend, the Senator from Arkansas, on this amendment. It is my understanding that we have worked it out as an accommodation to rectify a situation where veterans, native Eskimo Indian Aleuts, who were on active duty during

the time of the Vietnam conflict, were therefore unable to apply for their allotment. This situation should be rectified. It scores zero dollars in the first year and perhaps $1 million each year thereafter.

In view of the fact that this is a $93 billion package, I think it warrants consideration to right a wrong for those who served in active duty, served their country, and yet were unable to qualify for their 160-acre allotment because they were on active duty. We have assured all parties that none of the acreage would come out of conservation units, and Senator BUMPERS has been most accommodating. It is my understanding the minority will accept the amendment—subject to Senator BUMPERS' input.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration has raised very serious objections to the Murkowski amendment.

Mr. FORD. Madam President, may we have order? I know it is tough.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration had previously, and may still have, serious objections to the Murkowski amendment. But he and I had a conversation this morning. He has modified his amendment. The modification is at the desk.

For the edification of our membership, simply because this may come up again in conference or even later on the floor, in 1906 the Congress passed a law giving every Native Alaskan the right to claim 160 acres of land in Alaska. In 1971, under the Alaskan Native Settlement Claims Act, we repealed the old 1906 Act. What Senator MURKOWSKI seeks to do is very laudable, in my opinion. He is simply saying those Native Alaskans who would have otherwise had a right to claim 160 acres under the old 1906 law, but were in Vietnam and not physically present in Alaska so they could file such a claim—he is simply saying under this bill that they will be grandfathered in. If they were in Vietnam between 1969 and 1971, they are entitled to a claim.

Some of these claims would be in conservation areas. That was the first, primary objection by the administration. We have changed that so the administration can select nonconservation lands if a claim within a park or wilderness or wildlife refuge is inconsistent with the purposes of that conservation area. So that takes care of most of it.

They were vitally concerned about the cost which, as I say, should be mitigated greatly by this compromise we have entered into.

I simply want to say there is one other objection the administration has. They are concerned about allowing people to claim 160 acres if they were not in Vietnam. The amendment does not really say you had to have been in Vietnam, but they had to have been in the military. They think that is a little broad. But in conference, whatever their objection is I feel sure can be worked out.

I thank the Senator from Alaska. We had a hearing on this, but we had not marked the bill up.

So, with those considerations, I think it is well to go ahead and approve it. If they still object to something, I think it will be something we can work out in conference.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, the Senator from Arkansas has stated the position well. As the ranking member on this bill, I agree we should take this amendment. There is disputed information about cost, scoring, the administration's position. But I believe we have assured everyone who has a yellow flashing light about this policy that we will consult on the way to conference, and I believe we should accept the amendment today. We will resolve this in conference, consulting with all appropriate people.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I thank my colleague from Maryland for her comments. I also appreciate the efforts of the Senators from Arkansas and Alaska to work out this situation. It sounds like a very compelling need. Obviously, our only question is the means by which it is accomplished. I am delighted we can gain agreement at this stage. We do have further work to pursue.

I have advised my colleague on the other side of the aisle, if there are substantial problems with it then we can deal with those in conference. I hope we can remedy this wrong which has occurred to Native Americans who fought for their country in Vietnam.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3200), as modified, was agreed to.

Mr. MURKOWSKI. I thank my side for their accommodation, particularly the Senator from Arkansas.

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

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EPA ACTIVITIES RELATED TO CO_2 EMISSIONS

Mr. MURKOWSKI. As we debate the provisions of the FY 1999 appropriations for the EPA and other agencies I would like to raise an issue of concern. During a June 4 hearing before the Committee on Energy and Natural Resources, committee members explored the concern that this Administration has no real plan in place to assure that we will meet the nation's substantial and growing energy needs. In responding to this concern, Administration representatives, including a representative of the EPA, failed to mention that in addition to failing to plan for our growing energy needs, EPA had recently taken action that could further erode our capability to fuel our economic growth by a ''back-door'' attempt to regulate carbon dioxide.

On June 2, only two days before this hearing, the EPA had published a notice in the Federal Register of its intent to modify a consent decree between EPA and the Natural Resources Defense Council, an organization with very strong views on global climate policy. The proposed modification would require EPA to analyze emissions reductions of CO_2 through its regulation of other emissions. While this seems innocuous enough, it is clear that this is an attempt to bring CO_2 within the meaning of ''air pollutant'' under the Clean Air Act.

Although EPA has apparently denied that this is an attempt to implement the Kyoto Protocol prior to its ratification, a spokesman for the Natural Resources Defense Council had a different response. In a Washinton Times article on July 8, Mr. Dan Lashoff of the Council states that the consent decree ''is intended to look ahead to emissions reductions of carbon dioxide that may be required to achieve national objectives as established by the [Kyoto] treaty.'' As a key party to the consent decree, Mr. Lashoff understands the objectives of this modification, even if EPA does not.

My concerns about this development are several. First, this action constitutes an attempted breach of promise against the Administration's assurances to Congress that there will be no implementation of the Kyoto accord prior to Senate ratification. Under Secretary Eizenstat has gone so far as to commit that ''no agency or interagency body has been given responsibility to develop potential proposals for legislation or regulation that would be intended to comply with the Kyoto Protocol if it were to become binding on the U.S.'' Second, the proposed modification exceeds EPA's authorities under the Clean Air Act. Third, the proposed modification is outside the scope of the original consent agreement.

Clearly, Madam President, Congress should expect both EPA and the Justice Department to withhold consent to this inappropriate modification to the consent agreement. Could you state whether you believe the actions I have described would be an appropriate use of the proposed funding for EPA in the appropriations bill under consideration?

Mr. BOND. First, I thank my colleague from Alaska for bringing this issue to the attention of this body. I agree that this is an issue of concern. There are no funds currently provided to EPA, nor any funds to be provided in this bill for fiscal year 1999 for the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation.

Mr. BURNS. Madam President, I ask the Senator from Missouri to note the

statement at page 74 of the Report regarding the Agency's sector facility indexing project. I concur with the Committee's judgment. I would like to call to the Senator's attention some further concerns regarding the Agency's use of toxicity weighting factors in relation to both the sector facility indexing project and the environmental indicators project. For example, the Agency's Science Advisory Board recently criticized EPA's use of toxicity weighting factors based on policy rather than science and raised other scientific issues as well. Does the Senator share my concern?

Mr. BOND. Yes, Senator BURNS, I do share your concern on this issue.

Mr. LEAHY. Madam President, I had intended to offer an amendment today to begin monitoring of mercury emissions from coal-fired power plants and include this information in the Toxic Release Inventory. Congress has a long track record of supporting the public's ''right to know'' about the nature and volume of toxic chemicals that are being released into the environment from manufacturing facilities in their neighborhoods. The ''Toxics Release Inventory'' has empowered citizens and communities and is helping local and state environmental agencies to identify the most pressing problems within their neighborhoods. A glaring gap in information from the Inventory is mercury emissions from coal-fired power plants. The Environmental Protection Agency estimates that at least 52 tons of mercury are being released to the environment each year, every year, from these plants. When Congress amended the Clean Air Act in 1990, we did not address mercury emissions but instead required EPA to report back to Congress on the sources, impacts and control strategies for mercury. Congress finally received that report last year and now needs to act on it. That is why I introduced the ''Omnibus Mercury Emissions Reduction Act of 1998.'' Although I will not offer my mercury right-to-know amendment today, Congress has a responsibility to act on the EPA Mercury Report to Congress. I believe Senator CHAFEE who is one of the leading proponents of the Clean Air Act Amendments of 1990, agrees with me that steps should be taken to address mercury emissions.

Mr. CHAFEE. I agree with the senior senator from Vermont that although the EPA Mercury Report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Along with Senator LEAHY, I voiced my concern when the release of the EPA Mercury Report was delayed. It is my understanding the EPA is taking a number of long-overdue steps to address mercury emissions. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, we should begin collecting information from these facilities on the mercury that they emit. As Chairman of the Environment and Public Works Committee, I intend to hold hearings in September on the issues raised by the EPA Mercury Report and Senator LEAHY's amendment in order to foster a broader public discussion from all concerned parties about the information and findings that are contained in the EPA Mercury Report.

Mr. LEAHY. I appreciate the leadership that Senator CHAFEE is taking on this issue in light of the troubling language included in the House report on the Fiscal Year 1999 VA–HUD Appropriations bill. I have serious concerns about this language. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations that pertain to mercury.

Mr. CHAFEE. I agree with Senator LEAHY. The American taxpayers have already spent over $1 million on the EPA Mercury Report. The Report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or EPA can make any decision about mercury emissions. But that is precisely what the House report language would require. This report language is an inappropriate use of the appropriations process.

Mr. LEAHY. The Senator is correct and I am glad to see that the Senate has not concurred with this language. I thank the Chairman and look forward to participating in his hearing on this important issue.

Mr. BYRD. Madam President, would the Senator from Missouri yield for a question on the appropriation of funding for the Environmental Protection Agency (EPA) and its energy and environment related programs? I note that on pages 74 and 75 of the Committee's Report that the Committee addresses the issue of the EPA's compliance with the Government Performance and Results Act and the EPA's submission of a report on activities related to these ongoing programs. Is it the Senator's understanding that the committee report reminds the EPA that it is to fully comply with the Government Performance and Results Act?

Mr. BOND. The Senator is correct. The language in the report requires full compliance with the Government Performance and Results Act.

Mr. BYRD. Is it the intent of the Senator to create additional legal requirements in this area beyond those required by the letter and spirit of the Government Performance and Results Act?

Mr. BOND. No, not at all. I would say to my friend from West Virginia that all we are asking here is for a more comprehensive explanation by the EPA of the components of its energy and environment programs, any justifications for funding increases, and a clear definition of how these programs are justified by the EPA's goals and objectives independent of the implementation of the Kyoto Protocol.

Mr. BYRD. I thank the Senator from Missouri. I would also note that the Committee Report expects the EPA to submit a report to the Committee by December 31, 1998, with a follow-up analysis by the General Accounting Office ninety days later. As the Senator may know, Senator Craig and I submitted language to the Interior Appropriations bill directing the Department of Energy (DOE) to submit a similar report, but this report is to be submitted in conjunction with DOE's Fiscal Year 2000 budget submission. Given the short period between the likely enactment of this Act and the December 31 deadline, would the Senator agree that it might be more reasonable for the EPA to also submit its report along with its Fiscal Year 2000 budget submission?

Mr. BOND. Yes. I believe that is a more appropriate time for the EPA to fulfill the reporting requirement as outlined in the Committee Report language.

Mr. BYRD. I thank the distinguished Senator. The EPA should provide a more detailed plan for better evaluating its programs, but I believe this is a more appropriate date to require such a report. It would not be wise to arbitrarily cap funding for vital energy and environment programs that encourage domestic energy efficiency, decrease costs, and promote domestic energy security. These programs should be evaluated on their own merits. The Federal Government serves a vital catalytic role in supporting and developing cutting edge research programs that the private sector can then take into the marketplace. The true benefits of these technologies and programs may not be evident for a number of years. Through these efforts, the United States has a tremendous opportunity to profit from new technologies, both at home and abroad, while at the same time reducing greenhouse gas emissions.

HUD NOTICE AND COMMENT RULEMAKING

Mr. D'AMATO. Madam President, I would like to enter into a colloquy with my colleagues, Senator KIT BOND, the Chairman of the Appropriations Subcommittee on Veterans Affairs and Housing and Urban Development, and Senator CONNIE MACK, the Chairman of the Banking Committee's Subcommittee on Housing Opportunity and Community Development.

It is my understanding that the Department of Housing and Urban Development (HUD) issued a series of regulations on June 30, 1998 dealing with a wide variety of HUD programs affecting millions of units of affordable housing. In each of these regulations, HUD has waived the sixty-day public comment period required under HUD's notice and comment rulemaking procedures. Instead, each of these regulations has included an expedited comment and review period. I would ask

my colleagues if I have stated the facts accurately.

Mr. MACK. Madam President, the Chairman of the Committee on Banking, Housing and Urban Affairs is entirely correct. On June 30, 1998, HUD issued three important regulations. For all these regulations, HUD waived the sixty-day comment period. Specifically, these rules would: first, establish requirements relating to physical conditions and inspections and would apply to a wide variety of HUD rental assistance and mortgage insurance programs; second, establish uniform financial reporting standards for HUD housing programs; and third, establish a new Public Housing Assessment System.

Despite the enormous impact of these proposed rules, HUD has waived the sixty-day public comment period as provided by HUD's own regulations (24 CFR 10.1), often referred to as ''Part 10.'' Previously, HUD attempted to repeal, as a practical matter, its Part 10 regulations related to notice and comment rulemaking. At that time, members of the Senate joined together in a bipartisan manner to enact legislation to safeguard public notice and comment in HUD's rulemaking process.

It is essential that HUD maintain an adequate period of time for the public to review, analyze and comment upon proposed changes in HUD's policies and procedures. Congress established the notice and comment rulemaking procedure in order to allow the public to provide adequate input so as to avoid potential confusion in the development of new rules. Given the importance of the proposed rules at issue, a more extensive period of time for public review and comment is warranted.

Mr. BOND. I agree with my colleagues Senator CONNIE MACK and Senator ALFONSE D'AMATO, in urging HUD to reinstate a fair and adequate time period for public review of these important new rules. In fact, it was my amendment in 1996 which halted HUD's attempt to remove the important public notice and comment provisions of the rulemaking procedure.

On August 16, 1996, HUD issued a regulation entitled, ''Rulemaking Policies and Procedures; Proposed Removal of Part 10.'' The Fiscal Year 1997 VA–HUD Appropriations Act included my amendment to safeguard the notice and comment procedure contained in the Part 10 regulation. Last year, the VA–HUD Appropriations Act for Fiscal Year 1998 contained a provision which in practical effect makes the notice and comment procedure part of the permanent law.

While HUD can provide for good cause waivers of the sixty-day comment period, the regulation states that such waivers should only be made when the procedure is ''impracticable, unnecessary or contrary to the public interest.'' I do not believe that HUD has met any component of this threshold in this instance.

HUD's current public rulemaking procedure were not adopted by accident. In fact, they were adopted in an effort to respond to past program abuses and were considered an essential component of HUD reform. Given HUD's ongoing systemic management difficulties, it is incumbent upon HUD to abide by the rules of public notice and comment rulemaking. Waivers of public notice requirements will not contribute to the much-needed reform of HUD's management problems. Public participation and input are critical aspects to avoiding unintended consequences in the rulemaking process.

HUD's new proposed rules have followed soon after a series of massive ''Super-NOFA's,'' or Notices of Funding Availability which announce the availability and competition for dozens of HUD grant programs. Many local government agencies and community-based housing organizations are still in the process of finalizing their applications for these important HUD programs. Most organizations—including local public housing authorities, community-based non-profit corporations and resident organizations—have limited capacity to wade through and analyze HUD's new proposed regulations, in addition to applying for funding. HUD's decision to unilaterally waive the sixty-day comment period compounds this problematic situation.

I therefore join my colleagues in strongly urging HUD to extend the review and comment period for the proposed rules issued on June 30, 1998.

Mr. D'AMATO. I thank my colleagues for their remarks and I join them in urging HUD to extend the time allotted for public review and comment of these three important and expansive HUD rules. HUD's notice and comment rulemaking procedures are designed to ensure an adequate period of time for public notice, review and comment.

It is essential that HUD provide an adequate timeframe in which housing organizations, residents of assisted housing and local government entities have a chance to offer meaningful input in the development of final regulations. Given the important nature of these three rules and the significant impact which they will likely have on the families assisted by HUD's programs, I believe it is essential that the public be granted an additional amount of time in which to comment.

Mr. CHAFEE. Madam President, page 71 of the committee report accompanying the fiscal year 1999 VA, HUD and Independent Agencies Appropriations bill states that, ''[n]one of the funds provided to the EPA are to be used to support activities related to implementation of the Kyoto Protocol prior to its ratification.'' I want to try to get a clarification on this report language from the distinguished chairman of the VA, HUD and Independent Agencies Subcommittee, Senator BOND. I would agree that the EPA should not use appropriated funds for the purpose of issuing regulations to implement the Kyoto Protocol, unless and until such treaty is ratified by the United States.

I would like to point out, however, that the United States is a full participating signatory nation to the 1992 Framework Convention on Climate Change. Under the 1992 Framework Convention, which was agreed to in Rio de Janeiro by President Bush and later consented to by the U.S. Senate, the United States pledged to carry out a wide variety of voluntary initiatives aimed at reducing greenhouse gases. These initiatives, being implemented by the EPA, the Department of Energy, and other agencies, are in place today. The Congress has funded these initiatives for several years now, indeed, long before the December 1997 climate conference in Kyoto, Japan. These initiatives; the Climate Challenge program, the Program for a New Generation of Vehicles, Green Lights, Energy Star, and others, have to varying degrees reduced greenhouse gas emissions by increasing energy efficiency across a broad range of domestic industrial sectors. They make sense for other reasons, Madam President. We have found with these programs and others that our companies and American consumers benefit economically. When we conserve resources and reduce energy consumption in a sensible way, we save money. When we research, manufacture and market new energy efficient goods and services, we create export opportunities and jobs. We also increase U.S. energy security by reducing our dependence on imported oil, natural gas and coal. Finally, when we find cost effective ways to reduce greenhouse gases, we oftentimes reduce other air pollutants like mercury, nitrogen oxide, and sulfur dioxide.

So, I want to make sure that the committee report language that I cited previously does not interfere with these important and worthwhile efforts. I would ask my friend from Missouri if these ongoing energy conservation and climate-related programs and initiatives, which are not intended to directly implement actions called for under the Kyoto Protocol, would go forward under this bill?

Mr. BOND. Indeed they would, Senator CHAFEE. Our only goal here is to prevent the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation. We have funded these EPA programs for the upcoming fiscal year and expect the agency to spend the money in an effective and appropriate manner.

Mr. CHAFEE. I thank the Senator.

UNIVERSITY OF CINCINNATI

Mr. DEWINE. Madam President, I would like to take this opportunity to extend my congratulations to Chairman BOND and Senator MIKULSKI and other members of the appropriations subcommittee on the FY 1999 appropriations bill. The committee has faced tough budget constraints this year and I would encourage my colleagues to join me in supporting this bill. I would also like to call to the Chairman's attention an important project in Ohio that I believe is deserving of funding

under the Community Development Block Grant (CDBG) program, specifically, the Economic Development Initiative funding for various community development projects. A number were listed by the Committee in its report on the bill. I am very interested in a project that has been supported by both the local community and the State of Ohio—the rehabilitation of the Medical Science Building at the University of Cincinnati's Medical Center. This facility ranks among the top in the nation for biomedical research, research which benefits both the U.S. Environmental Protection Agency and the Veterans' Administration, as well as contributing to the local economy in excess of $2 billion. Would the Senator from Missouri agree that an initiative which will rehabilitate a facility dedicated to such research be a worthy candidate for funding under the Committee's EDI provision?

Mr. BOND. Madam President, I appreciate the Senator from Ohio raising this issue. I agree with him that the project he has described in Cincinnati would appear to be well-suited for the EDI program.

Mr. DEWINE. I thank the Chairman of the Subcommittee for his comments. I would ask that the Chairman of the Subcommittee take a very close look at this project as he proceeds to conference with the House on the final version of this appropriations bill. Specifically, what I am seeking is consideration for support of funds to allow for the renovation of this facility.

Mr. BOND. I understand the Senator from Ohio's concerns, and commend him for his efforts to seek a positive solution. As I am sure he well knows, this has been a difficult year for community development projects, such as the one he has discussed. Nonetheless, I am impressed by the overall project and their commitment to continuing research. I will give the Senator's request all due consideration as we go to conference on this bill. Is that satisfactory to the Senator?

Mr. DEWINE. That is satisfactory and I thank the distinguished Chairman for his willingness to work with me and the members of the Ohio Congressional Delegation as we work with the University to help them carry on this important work.

LORAIN ST. JOSEPH'S FACILITY

Mr. DEWINE. Madam President, I would like to draw the attention of the distinguished Chairman of the VA–HUD Appropriations Subcommittee, Senator BOND, to the allocation of Community Development Block Grant (CDBG) funds for Economic Development Initiative projects. As the Chairman may recall, we had numerous discussions last year about my interest in preventing the permanent closure of the St. Joseph's Hospital complex located in the heart of Downtown Lorain. Thanks in large part to the assistance provided Lorain in the FY 1998 VA–HUD Appropriations Conference Report, we were able to forestall closure and have now developed a solid group of tenants who wish to occupy the complex.

Mr. BOND. Madam President, I recall the effort of my colleague on behalf of his constituents in Lorain, and am happy that we were able to be of some assistance.

Mr. DEWINE. Madam President, while I will not detail every development at the St. Joseph's site which has occurred over the past twelve months, it is worth mentioning the highlights. Based on the expression of Congressional support, Community Health Partners agreed to transfer ownership of the facility to a community-based non-profit entity incorporated as South Shore Development Corporation. Community Health Partners has also agreed to provide 12 months of utilities and security for the facility while South Shore proceeds with its plans to convert the facility for non-hospital uses. Notwithstanding the need to attract additional funds to underwrite the conversion effort, the Veterans' Administration, the Lorain Public Schools system, the Lorain County Community College and the local Community Action Agency have all signed leases to implement community services from the 400,000 square foot facility.

As the distinguished Chairman may recall, earlier this year I had expressed my support to him for a request for an additional $2,000,000 for the conversion effort. These funds would be utilized for the establishment of the Community College's distance learning center at the St. Joseph's facility. It is through this facility and the downlink site at the Community College that area residents would be provided access to the job training programs which would be offered by the Community College for veterans, the unemployed and others struggling to make the transition to the information technology marketplace.

Inasmuch as the Committee was not able to accommodate my request in the bill reported from Committee, could my good friend the Chairman provide me with some insights on the prospects for funding when the House and Senate meet to resolve differences between their respective bills?

Mr. BOND. I appreciate the Senator's continuing efforts to keep me apprised of developments on the St. Joseph's conversion effort. I regret that our difficult funding problems prevented the subcommittee from allocating funding for this initiative, and I assure my friend that I will do all that I can to accommodate his request in the upcoming conference.

Mr. DEWINE. I thank my colleague for his comments, and stand ready to provide him and the conferees with documentation validating the merits of this request.

Mr. JEFFORDS. Madam President, in January of this year I addressed the Senate along with my colleagues from New York and Maine about the awesome ice storm that struck our area. Thanks to the help of Chairman BOND and others, our region received much needed assistance and relief. Today, I rise to inform my colleagues that Vermont has experienced yet another series of natural disasters. During the past few weeks the state of Vermont has received tremendous amounts of rain, causing severe flooding throughout the state. In fact, eleven of our fourteen counties were declared disaster areas after several days of heavy rain flooded streams and rivers.

Hardest hit was the pristine Mad River in central Vermont. The river's stream banks were overwhelmed. Heavy sediment washed down the river depleting water quality. However, in sections of the river where methods to protect the stream banks through bioengineering and vegetation planting were established, the banks held steady during the floods preventing soils and sediments from entering the water system.

Assistance is needed in the Mad River Valley of Vermont. The quality of the water in the Mad River is of great importance to the communities in the valley. Because of the recent flooding there is a need for the Environmental Protection Agency to provide assistance for maintaining that water quality. I am aware of the devastation that occurs during a long period of heavy rain and understand the impact it can have on a river's health and appearance. Protecting the water quality is important. EPA should provide assistance to the Mad River Valley Union Municipal District to assist them in water quality improvements. Experimenting with new methods to protect our river banks will help find solutions to maintain water quality and the health of our rivers, as well as safeguard the property and lives that inhabit the river valleys.

Madam President, with help from the EPA, more creative methods could be established and tested along the Mad River helping maintain water quality and the beauty of the river.

METERED-DOSE INHALERS

Mr. GRAMS. Madam President, I wish to thank the Senator from Arkansas, Mr. HUTCHINSON and the Senator from Ohio, Mr. DEWINE for their efforts to address the issue of FDA action on Chlorofluorocarbon (CFC) metered-dose inhalers (MDIs). I share their commitment to protecting the health and safety of the millions of Americans who rely daily on MDIs to treat asthma and other pulmonary conditions.

Most of today's products rely on CFCs, which the nations of the world under the terms of the Montreal Protocol, have agreed to phase out. This phase out is due to the reported damage CFCs cause to the stratospheric ozone layer which protects us from excessive amounts of ultraviolet radiation. However, patients with asthma and other pulmonary conditions understandably are concerned about the possibility that one day they may no

longer have access to their medications and whether it will come before adequate replacement medicines are available.

I believe the resolution included in the appropriations legislation appropriately balances the need to establish a framework for the transition from CFC to non-CFC products promptly, so patients and physicians will understand the process and deal with it. Immediate action is needed so patients and care givers have the opportunity to consider and appropriately manage the impact of a transition from one safe and effective medication to another. With sufficient time to make such preparations, the important transition from CFC to non-CFC MDIs will work for the people who matter most—the patients.

The resolution states the FDA shall issue a proposed rule no later than May 1, 1999. Although I would like to see the process move more quickly, I believe this is ample time for the FDA to take into account patient concerns and needs. The FDA has already been working on this issue for more than 15 months and has heard from thousand of interested individuals and groups. In March 1997, the FDA issued an advanced notice of proposed rulemaking which most parties agree was flawed, particularly in its tentative suggestion of a so-called ''therapeutic class'' transition from existing drugs to new products. The resolution clearly instructs FDA not to take this approach, but to consider alternatives. For example, one preferable approach would be to require an alternative be available for a particular active moiety before the agency could take a CFC-containing product off the market.

The resolution recognizes the pharmaceutical industry has made a great deal of progress toward fulfilling the expectation of the Montreal Protocol—that there will be excellent non-CFC MDIs available to patients. Clearly, this is not a situation where we will be taking good medications from the market and leaving a void. Nothing could be further from the truth, but it's important for us not to send a signal to manufacturers who are doing the right thing in developing alternatives that we do not see the urgency of beginning this transition. The resolution my good friends from Arkansas and Ohio propose corrects that mis-impression and I thank them for clarifying it.

The resolution expresses the expectation that the FDA, in consultation with the Environmental Protection Agency, will assess the impacts on the environment and patient health of a transition to CFC-free products. In doing this, the FDA must consult in the process with the many parties interested in this issue, which is as it should be. The information the FDA receives and develops from these discussions should be reflected in its proposed rule, along with information the agency has already received in the form of comments on its ANPR. I believe the intention of this resolution is clear—the FDA should continue this important dialogue after the proposed rule is issued. In this way, we can be assured a fair and balanced rule will emerge and move us away from the use of CFCs in a way which protects patients health and safety.

In short, this resolution urges the FDA to get on with the business at hand—namely, publish a proposed rule which lays out a framework for the transition from CFC to non-CFC MDIs by no later than May 1, 1999. This framework should be developed in consultation with patients, care givers and others to ensure continued patient health and safety. The urgency of this action is dictated by the need to allow patients and care givers time to consider the ramifications of the transition and prepare for it.

I want to thank the gentlemen from Arkansas and Ohio again for their leadership on this issue and their willingness to accommodate our concerns.

THE TUNNEL AND RESERVOIR PROJECT

Mr. DURBIN. As we consider the FY 1999 VA–HUD and Independent Agencies Appropriations bill, I would like to call your attention to the serious flooding problems that continue to plague the City of Chicago and its surrounding suburbs, and to urge your consideration to provide funding for a system of flood control tunnels designed to mitigate these weather-related problems.

For years, severe thunderstorms have caused extensive flooding in the Chicago area due to the antiquated storm drainage system that serves the region. The drainage system, also linked to the sewage system, is quickly filled to capacity and overwhelmed during storm events, resulting in sewage backflows into Lake Michigan and the basements of thousands of homes. This flooding creates major public health hazards, leaves neighborhoods without electrical power, and causes disruptions of major transportation thoroughfares.

These kind of flooding emergencies will continue to plague the City of Chicago and neighboring communities until the construction of an important system of tunnels and reservoirs is completed. This system is known as the Tunnel and Reservoir plan (TARP), an initiative of the Metropolitan Water Reclamation District of Greater Chicago.

Ms. MOSELEY-BRAUN. Madam President, my colleague from Illinois is exactly correct. TARP is a network of underground tunnels and reservoirs designed as an outlet for sewage and floodwaters during large thunderstorms. For almost two decades, the TARP system has slowly grown, gradually improving flood prevention system in Chicago. Without TARP, local sewage and rainwater drainage would have no where to go when large storms hit the area.

Already, TARP has greatly reduced contaminated flooding of basements, polluted backflows into Lake Michigan, and to the amazement of many, has markedly improved the water quality of the Chicago River, a feat thought to be impossible a decade ago. Although TARP is largely complete, federal funds are still needed to finish the system and complete the commitment that the federal government made to this project years ago.

Chicago desperately needs additional capacity to stop this flooding. Without TARP, homeowners and residents in the greater Chicago region will continue to experience serious economic and health hazards from flooding during severe thunderstorm events.

Mr. DURBIN. That is why we would like to ask the Chairman if he will give us his assurances that the subcommittee will give every consideration to including the House level of funding for this project during conference of this bill.

Mr. BOND. I appreciate the remarks of my colleagues from Illinois, and I understand the longtime importance of this pollution control project to you and your constituents. You can be sure I will work to include the funding for this project during conference of the VA–HUD Appropriations bill.

MERCURY EMISSIONS

Mr. LEAHY. Madam President, I have spoken previously on my concerns about the ongoing threats from mercury pollution to the lands, rivers and lakes of Vermont and the rest of the country. I sponsored a Senate Resolution that called on the Administration to release its long overdue Mercury Study Report to Congress, a report that was mandated by the Clean Air Act of 1990. Earlier this year I introduced S. 1915, the ''Omnibus Mercury Emissions Reduction Act of 1998'' which, if enacted, would significantly reduce the risks that this powerful neurotoxin poses to the neurological health and development of pregnant women and their fetuses, women of child bearing age, and children. Senators SNOWE, WELLSTONE and MOYNIHAN have joined me in co-sponsoring the legislation.

The Mercury Study Report to Congress states that 150 tons of mercury are released to the environment every year, year after year. The Study reports that more than one-third of the mercury that is released in the United States each year—52 tons—comes from coal-fired power plants. Mercury is contained in the coal. When coal is burned the mercury is vaporized and is released to the environment.

Once released to the environment, mercury does not behave like many pollutants. It does not biodegrade, it persists. Mercury does not become less toxic—it transforms chemically into even stronger and more toxic forms such as methyl mercury. Methyl mercury accumulates in fish, and it accumulates in the human beings that eat the fish. Once ingested, methyl mercury is rapidly absorbed and distributed throughout the body. It easily penetrates the blood-brain and placental barriers, and it stays in the body

for very long periods of time. One of the ways that it is finally excreted from the body is through breast milk. A developing fetal brain and nervous system can be exposed to mercury because the placenta and the blood-brain barriers offer no protection, and once born, the exposure can continue through breast milk.

There is ample evidence that mercury levels in the environment are increasing. One of the most telling indicators is the trend in mercury fishing advisories. In 1993, 27 states had issued health advisories warning the public about consuming mercury-tainted fish. In 1997, this had grown to 39 states. We are going in the wrong direction. Before we know it we are going to have filled the whole map with these warnings. It is time to reverse this trend.

While the EPA report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, EPA has issued notice of its intent to begin collecting information from these facilities on the mercury that they emit. I think that this is an excellent step for EPA to be taking, and I strongly urge the Office of Management and Budget to support this information collection request. It is very much in keeping with the public's ''right to know'' about the types and amounts of toxic pollutants that are being released, and I strongly urge EPA to disseminate the information widely, including making it available via the Internet.

Madam President, I would like to state my serious concern about mercury-related report language in the House of Representatives VA/HUD/Independent Agencies appropriations bill. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations on mercury.

This report language purely and simply delays efforts to control mercury emissions at the expense of those who are most susceptible to the effects of mercury pollution—pregnant women and their fetuses, women of child bearing age, and young children.

To put this delay into perspective, the 1990 Clean Air Act Amendments required EPA to study mercury emissions and to report to Congress. EPA completed the report in 1994 and, largely due to highly effective pressure exerted by the coal-fired power industry, the Agency sat on the report for 2 years. It was finally released last December after much effort by this Senator and a number of my colleagues. It is an excellent report, and the years that it spent on the shelf gathering dust did not alter its message. In the meantime, hundreds of tons of toxic mercury emissions continued to rain down unabated on our lands, rivers, and lakes.

The mercury report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or the Executive Branch can make any decisions about controlling mercury emissions. But that is precisely what the House report language would require. If the past is any indicator of how long it will take to accomplish what is contemplated by the report language, we will be at least halfway through the first decade of the next century and buried under more than a thousand more tons of mercury before the United States can take even the most minuscule action to control this toxic pollutant. This report language is an inappropriate use of the appropriations process. Such matters of substance and impact on the health and welfare of the citizens of the United States should be debated on the floor of the Senate and House of Representatives.

SHIP SCRAPPING

Ms. MIKULSKI. Madam President, I inserted a provision in this legislation to prohibit our government from sending our great Navy ships overseas—where they are dismembered in a dangerous, irresponsible and immoral manner. The export of misery and the exploitation of workers is beneath the dignity and honor of our nation.

I'd like to give the Senate some background on this issue.

With the end of the Cold War the number of ships to be disposed of in the military arsenal is growing. There are 180 Navy and Maritime Administration ships waiting to be scrapped. These ships are difficult and dangerous to dismantle. They usually contain asbestos, PCB's and lead paint. They were built long before we understood all the environmental hazards associated with these materials.

This issue was brought to my attention by a Pulitzer Prize-winning series of articles that appeared in the Sun written by reporters Gary Cohn and Will Englund.

They conducted a thorough and rigorous investigation of the way we dispose of our Navy and maritime ships. They traveled around the country and around the world to see firsthand how our ships are dismantled, and Mr. President, I must advise that the way we do this is not being done in an honorable, environmentally sensitive, or efficient way.

I believe when we have ships that have defended the United States of America, that they were floating military bases—and they should be retired with the same care and dignity with which we close a military base.

Let me read from the Sun series:

> As the Navy sells off warships at the end of the Cold War, a little known industry has grown up. In America's depressed ports and where the ship breaking industry goes, pollution and injured workers are left in its wake. The Pentagon repeatedly deals with ship breakers with dismal records, then fails to keep watch as they leave health, environmental and legal problems in their wake.

Of the 58 ships sold for scrapping since 1991, only 28 have been finished. And oh, my God, how they have been finished. I would like to turn to my own hometown of Baltimore.

In Baltimore the dismantling of the *Coral Sea* has been a disaster. There were fires, lawsuits, delays—and injuries. The Navy inspector refused to board the *Coral Sea* because he was afraid it was too dangerous.

I am quoting now the Sun paper. ''September 16, 1993, the military sent its lone inspector for the United States to the salvage yard in Baltimore. He didn't inspect it because he thought it was too dangerous.''

The inspector was right to be concerned about his own safety. The next day a 23 year-old worker found out how safe it would be.

He walked on a flight deck and he dropped 30 feet from the hangar. ''I felt the burning feeling inside,'' he said, ''blood was coming out of my mouth, I didn't think I would live.'' He suffered a fractured spleen, pelvis, and broke his arms in several places.

At the same time we had repeated fires that were breaking out. In November of 1996, a fire broke out in the *Coral Sea*'s engine room. No one was standing fire watch. No hose nearby. The blaze burned quickly out of control and for the sixth time Baltimore City's fire department had to come in and rescue a shipyard. At the same time the owner of the shipyard had a record of environmental violations - a record for which he ultimately was sentenced to jail.

While all of this has been going on, the Navy also planned to send our ships overseas—where worker and environmental safety are virtually ignored.

In India, the Sun paper found a tidal beach where 35,000 men scrapped the world ships with little more than their bare hands. They worked under wretched conditions.

They often dismantle ships with their bare hands. They earn just a couple of dollars a day. They have no hard hats, no training. Every day, someone dies breaking these ships.

I will quote from the Sun series:

> They live in hovels built of scrap, with no showers, toilets or latrines. They have come from poor villages on the other side of India, lured by wages that start at one dollar and fifty cents a day, to work at dangerous jobs, protected only by scarves and sandals.
>
> They suffer broken ankles, severed fingers, smashed skulls, malaria fevers, dysentery and tuberculosis. Some are burned and some are drowned. Nobody keeps track of how many die here from accidents and disease. Some say a worker dies every day.

This is an international disgrace.

So I introduced legislation to prohibit the overseas sales of government owned ships to countries with poor labor and environmental records. I inserted similar language in the VA–HUD

appropriations bill that we are considering today.

This is not a ban on exports. Ships could be exported to countries that can break ships responsibly.

This limitation on exports would only be in effect for one year. This would enable the Navy to come up with a more ethical, workable plan for exports. This one year pause in exports would also enable us to improve our ability to dispose of ships here in the U.S. This will provide American jobs, and will strengthen our shipbuilding industrial base.

Some say that it is cheaper to send our ships to India and other developing countries. It is cheaper. Why? Because workers earn one dollar and fifty cents a day. They work eighteen hours a day. They have no training and no protection. They die or are maimed in terrible, preventable accidents.

It is always cheaper to exploit workers—and it is always wrong.

I would like to thank the Sun paper for their outstanding service in bringing this not only to my attention but to America's attention. Now the Senate must act to end these shameful policies.

The Sun reporters won the Pulitzer prize. But I want the United States of America to be sure that we win a victory here today for workers, the environment—and especially for the Navy. Because I know our Navy wants to do the right, honorable thing.

I hope my colleagues will agree with me that the practice of exploiting foreign workers and ignoring the environment is beneath the dignity of our great Navy, and of our nation.

(At the request of Ms. MIKULSKI, the following statement was ordered to be printed in the RECORD.)

• Mr. GLENN. I want to commend Senator MIKULSKI and the other Members of the Subcommittee for incorporating elements of the Mikulski-Glenn Bill (S. 2064) to prohibit export of ships to be scrapped in countries with substandard environmental laws and practices.

Senator MIKULSKI, with me as the prime cosponsor; introduced the original bill in May upon learning that the Federal ship-owning agencies, principally MARAD and the Navy, were retaining the option to export ships to countries with weak environmental and labor protection laws. They were retaining this option even after public reports and a GAO analysis that criticized Federal agencies for allowing the export of ships laden with PCBs, asbestos and hazardous materials.

In the past, these ships were sent to developing countries to be scrapped. They would lie listing just offshore, giant metal hulks waiting to be cut up and disassembled—often by children in barefeet—with the hazardous waste from the ships' interiors unceremoniously dumped overboard.

While I can respect the sovereignty of these countries in making their own environmental and labor laws—however inadequate they may be, I don't think that as a government the Feds should be contributing to that inadequacy by sending its own ships there to be scrapped in that fashion.

The VA–HUD Appropriations Bill contains language that contains a 1 year restriction of Federal ship exports for scrapping. No exports can be made unless the EPA certifies that the destination country has environmental standards and enforcement ''comparable'' to the U.S. So it is not an outright ban on exports. The language supplements the other part of the Mikulski-Glenn Bill, which strengthens environmental and labor protection criteria in Federal contracts for domestic ship scrapping. Those provisions were unanimously adopted as part of the DOD Authorization Bill and $7.8 million has been provided for this effort in the DOD Appropriations Bill.

We can protect our oceans, treat harmful hazardous waste safely, and scrap ships responsibly if we're willing to make the commitment to do the right thing. The language incorporated into the VA–HUD Bill takes that approach and resides there largely because of the effort and persistence of the good Senator from Maryland. I urge my colleagues to support that language, and to oppose any efforts to weaken it or strike it. •

Mr. SARBANES. Mr. President, I rise in support of the VA–HUD Appropriations bill. I thank Chairman BOND and Senator MIKULSKI, my good friend from Maryland, for their efforts in bringing this bill to the floor so quickly. I know how difficult it is to balance the many competing needs contained in this appropriations bill. Senators BOND and MIKULSKI are to be commended for the good bill that they have produced.

As Ranking Member of the Committee on Banking, Housing and Urban Affairs, I am particularly pleased with the appropriations for HUD. S. 2168 provides an increase in appropriations to HUD over what was enacted in FY 1998. I applaud these funding increases and I believe they will go a long way towards helping our neediest citizens. However, I am concerned that they fall somewhat short of the Administration's request—and considerably short of what is needed to address the severe housing and community development needs in this country.

Today, only about one out of every 4 households in need of housing assistance receives it. This includes households living in public housing, assisted housing, and housing built with the tax credit and HOME funds. Of the roughly 12 million unassisted families, approximately five and a half million have worst-case housing needs. These families are paying more than half of their incomes every month in rent, or live in physically substandard housing, or both.

My colleagues on the Appropriations Committee recognize this need. For the first time since 1995, they have provided for additional incremental vouchers; $40 million has been appropriated to support roughly 7,000 to 8,000 welfare-to-work vouchers—vouchers that will play a crucial role in helping smooth the transition from welfare to work. Furthermore, the appropriators have deleted a provision in current law which requires housing authorities to retain vouchers and certificates for a period of three months upon their turnover. This simple change means that as many as 40,000 additional low-income families will be served by the Section 8 program each year. I commend the appropriators for implementing this change.

While I applaud the direction S. 2168 moves us, I am discouraged by the pace. I fully understand the constraints in which the Committee has to work, but these constraints are artificial. CBO tells us to expect up to $63 billion in budget surpluses for FY '98, and hundreds of billions of dollars in surpluses over the next ten years. At least some portion of these funds should be returned to the HUD budget, which has been sacrificed over the years in the name of deficit reduction.

An appropriate start would be to fully fund the Administration's request of 50,000 welfare-to-work vouchers. A recent HUD study found that the fastest growth in worst case housing needs during the 1990s has been among working families. These findings indicate that wages earned by lower income working families simply have not kept pace with the escalating cost of housing. Welfare-to-work vouchers help fill the gap between real wages and housing costs. Additionally, they help unemployed and underemployed individuals move to where jobs are available. Finally, welfare-to-work vouchers build new partnerships between housing agencies and other local agencies which promote and implement welfare reform. For all of these reasons, it is important that more welfare-to-work vouchers are available in future years.

We should also be providing funding to fulfill the President's request of 34,000 vouchers for homeless persons. Homelessness continues to be a significant problem in this country. It is estimated that as many as 2 million people will experience homelessness at some point in the next year. Some of these people have chronic disabilities that lead to chronic homelessness; others experience unanticipated problems such as job loss or a sudden illness which results in displacement from their housing.

That is why I strongly support the appropriators' decision to substantially increase funding for homeless programs, and their decision to include a recommendation that 30% of all funding be allocated to permanent housing. These gestures indicate a real commitment to attaching permanent solutions to the problem of homelessness. But make no mistake. Vouchers are an essential tool for addressing the needs of the homeless. A tenant-based voucher provides immediate assistance to families in need, and is a much better and

cheaper housing alternative than a shelter. Project-based vouchers can leverage funding for supportive housing developments, which provide essential services for chronically disabled and chronically homeless individuals.

I am also pleased to see a renewed commitment to the HOPE VI program. S. 2168 would increase funding for the HOPE VI program by $50 million. This program has provided a crucial source of funding for redeveloping obsolete public housing developments and transforming entire neighborhoods. HOPE VI funds are used to leverage other public and private funds which can be used to promote resident self-sufficiency and economic independence. I have witnessed first-hand the impact that this program has had on communities in Baltimore, and I commend the appropriators for pledging more funds in support of these vital initiatives.

In order to succeed, however, public housing needs more funding. Without adequate operating subsidies, public housing authorities cannot pay for the day to day operations of their housing developments. PHAs are forced to put off routine maintenance and small capital projects. Over time, this leads to a greater demand for large scale capital improvements. It is currently estimated that PHAs would need roughly $4.5 billion of capital funds per year for 10 years just to address their backlogged capital needs. The Senate appropriation of $2.55 billion in capital funding for FY 1999 represents a $50 million increase over the level enacted in 1998, but does not come close to addressing the severe need for public housing capital improvements.

It is regrettable that S. 2168, while providing a much needed $75 million increase for Community Development Block Grants, does not adequately fund the Administration's Economic Development Initiative. The EDI supports grants and Federal loan guarantees which municipalities can use to leverage private capital for business loans, community development banks, revolving loan funds, large scale retail developments, and welfare-to-work projects. HUD requested $400 million to fund EDI in FY '99, anticipating that this would leverage $2 billion in private sector loans and create roughly 280,000 jobs in needy communities. Economic growth and jobs are the key to revitalizing urban areas, and the EDI fosters these opportunities. It is unfortunate that the EDI could only be funded at $85 million.

I am pleased that the appropriators showed a commitment to homeownership by expanding the FHA single family mortgage insurance program. This program is the best tool that the Federal government has for helping low- to moderate-income families become homeowners, and it doesn't cost the taxpayer a single dime. It is well documented that the FHA program serves a higher proportion of low-income, minority and first-time homebuyers than any of the conventional home loan products. By increasing the loan limits for this program, we should see a further expansion in homeownership throughout the country—both in high cost urban areas and lower cost rural regions.

S. 2168 also contains language which would require HUD to engage in a lengthy and resource consuming effort to redefine their fair housing mission. While I appreciate the need to have a clear mission statement, I am concerned that the process prescribed in S. 2168 will be detrimental to the Office of Fair Housing and Equal Opportunity's ability to fight housing discrimination. The Department's standard policy making procedures require that the public and Congress be notified when significant policy changes are being contemplated. Additional requirements beyond this will hamstring the Office, and take away resources which could be deployed to meet program goals.

Mr. President, I would like to thank my colleagues for all of their hard work. They are to be commended for substantially increasing the Federal commitment to housing and economic development programs in a climate of limited resources. I regret that we cannot do more at this time in the areas I have outlined, but S. 2168 is a good bill and I urge all of my colleagues to join me in supporting it.

FEMA

Mr. WELLSTONE. Mr. President, I want to acknowledge the good work of my colleagues, Senator BOND and Senator MIKULSKI, for taking on the difficult task each year of drafting the VA–HUD appropriations bill. I don't think many of us envy the job they have or the difficult choices they have had to make.

I have come to the floor today to talk about a small but very important agency that is funded in under the VA–HUD Appropriations bill—the Federal Emergency Management Agency or FEMA.

My first experience with FEMA was during the devastating floods that swept through Minnesota in the Spring of 1993. Most recently, I traveled with James Lee Witt to tour the damage caused by tornadoes this spring from Comfrey to St. Peter, Minnesota. I never thought that I would be forced to learn the intricate ins and outs of FEMA's programs and other emergency assistance programs, but I have. Since the flood of 1993, FEMA has been there on several occasions to help Minnesotans as they struggled through the early days after tornadoes and blizzards and floods to rebuild their lives and communities.

I want to thank James Lee Witt the Director of FEMA for all of his help over the years.

I really had the opportunity to get to know James Lee during last year's devastating flood of the Red River. He is one of the President's most outstanding appointments, a dedicated public servant and a great guy. Spending time with James Lee always has a catch, because it usually means that something really bad has happened in your state.

The good news is that it also means that something good is about to happen. Because FEMA comes in fast, comes in ready and works in partnership with state and local communities and authorities. FEMA is a great partner to have.

Under the direction of James Lee Witt, FEMA has undertaken a new program called Project Impact, a predisaster mitigation program. With Project Impact, FEMA joins in partnership with local communities and private sector businesses to educate residents on the steps they can take to reduce the damage disasters bring to our families and communities. This is another example of FEMA being a good partner.

FEMA and Director James Lee Witt have been there on many instances to help my state. I want to thank them for their assistance. Following our action here on the floor of the Senate, this bill will move to conference. At that time I hope that our conferees will remember the needs of a small agency with a big job—FEMA—and support the level of funding that was requested in the President's budget.

STATE REVOLVING LOAD FUNDS

Mr. BOND. Madam President—I would like to take some time to talk about the Clean Water and Safe Drinking Water Revolving Loan Funds.

First, let me say that the Clean Water Act has been one of our most successful environmental statues. Our success is measurable and indisputable. We must ensure that the progress made continues.

Enacted in 1972—we have seen impressive gains in our water quality protection.

Most of us are familiar with the Cuyahoga River fires. We are all familiar with rivers and streams that we couldn't let our kids swim or fish in.

Here in Washington, Lyndon Johnson called the Potomac River a ''national disgrace''.

The Clean Water Act, and more importantly, with the cooperation and dedication of the American people and industry, the majority of our rivers, lakes, and streams are fishable and swimmable.

But, we still have a ways to go.

Why?

One reason is that statistics show that beaches, rivers, and lakes are the number one vocation choice for Americans. Whether people go to swim, boat, or one of my favorite past-times—fish, keeping our rivers, lakes, beaches, and streams clean is imperative for public health, the environment and the economy.

In addition, it has already been ''shown'' that improving the water quality of the Potomac, or the Lehigh in Pennsylvania, or the Shenandoah in West Virginia is not just an environmental and public health success, but an economic one as well.

According to EPA's 1999 Annual Plan Request, ''Safe drinking water is the first line of defense in protecting human health.'' In addition, ''Safe drinking water is essential to human health and contaminated drinking water can cause illness and even death, and exposure to contaminated drinking water poses a special risk to such populations as children and the elderly.''

Today, we have close to 58,000 community water systems that are providing drinking water for 80 million households.

According to statistics this country has over 3.5 million miles of rivers and streams, 41 million acres of lakes, and 58,000 miles of ocean shoreline.

Cleaning up our nation's wastewater and assuring safe drinking water should be, must be, at the top of our environmental priority list.

Putting our resources to work where the risks are known and the benefits—both environmental and public health—are real and tangible! Setting priorities and making progress. Protecting public health and the environment. Investing our taxpayer dollars the right way. That is what investing in our water infrastructure is about.

Mr. President, despite the fact that the Administration has claimed clean water as a top priority, the President proposed a reduction of $275 million in the Clean Water and Drinking Water Revolving Loan Funds for fiscal year 1999.

As Chairman of this Subcommittee, I have made a priority of state revolving funds for water infrastructure financing—providing over $6 billion for SRFs since becoming chairman.

I know. Senator MIKULSKI knows. More importantly, this Congress has ''shown'' that the state revolving funds are critical for ensuring the nation's water is protected and safe drinking water is provided to commities across the country.

The state revolving funds stretch the federal dollar significantly through leveraging and cost-sharing features, helping to meet the very large need for water infrastructure financing.

The $14.3 billion federal investment into the clean water SRF has generated an additional $11.4 billion for wastewater projects, including $8.7 billion in net leveraged bond proceeds. This loan pool of $25 billion has resulted in almost 6,000 project loans! This is a very substantial and gratifying return on the federal investment.

According to EPA, the SRF program buys up to 4 times more environmental protection for the federal dollar than traditional one-time grants over a 20-year period.

EPA has identified the national need for infrastructure financing at over $130 billion just in the wastewater area alone. EPA has identified over $135 billion in drinking water infrastructure needs.

Mr. President—there are two glaring reasons of why investment in our water infrastructure is imperative.

First are tuberculated drinking water pipes.

Let me give you the definition of ''tubercle.'' Tubercle is a ''small, rounded prominence or process, such as a wartlike excrescence on the roots of some leguminous plants.'' In other words, there is something growing.

Too many drinking water pipes providing water to communities—water that comes out of your faucet in your kitchen sink and bathtub—are tuberculated. But it is rare that anyone ever thinks about it.

Too often no thought is given to the pipes until we become sick or there is an outbreak in the community.

The second reason is a sanitary sewer overflow.

A sanitary sewer overflow is a release of raw sewage often into lakes, rivers, and streams.

We still have instances of raw sewerage overflowing into our lakes. As I mentioned earlier, EPA has estimated over $130 billion in wastewater needs. Continued improvements to our wastewater infrastructure will help us conquer the problem.

For example, according to the EPA, improved sewage treatment is recognized as the single biggest factor in the Potomac River's restoration.

Our wastewater infrastructure, like our drinking water infrastructure, is out of sight. We forget that in some cases we have century-old facilities. All too often, we have facilities that have not been able to keep in step with the population growth and treatment needs.

Like our nation's highways, in many areas our water infrastructure has well exceeded its design life. Add to the expired design life, increased capacity and increased federal and state regulatory requirements and we have a potentially disastrous situation.

I was reading a brochure about clean water given to me by the National Utility Contractors and came across the following:

> Before you build homes, establish businesses, or pave the streets, a dependable wastewater treatment system must be in place.

Way too often we tend to forget this basic fact.

Mr. President, I have made, and will continue to make, a commitment in protecting our nation's water. I look forward to continuing to work with my colleagues in the House and Senate to ensure that our progress continues in protecting public health and that real environmental gains and progress are made.

KYOTO PROTOCOL

Mr. BOND. Mr. President, there has been a great deal of discussion over the past year on the Kyoto Protocol and concerns about efforts to implement its requirements prior to Senate ratification.

We may disagree about whether or not the global climate is warming—and there certainly is no scientific consensus on the matter. But regardless of the scientific uncertainties and the differing views on the issue, one thing is certain: the level of greenhouse gas reductions called for in the Kyoto Protocol have the very real potential of inflicting serious economic harm on the U.S. economy.

The agreement reached last December in Kyoto would, according to numerous studies, lead to significant job less and substantial lifestyle changes for Americans. Energy prices could rise dramatically. One study by Charles River Associates and DRI/McGraw-Hill, for example, projected that in my state, industrial electricity prices could increase 54.4 percent.

Mr. President, this kind of increase in electricity prices would be devastating to small businesses, farmers, large manufacturers who employ thousands, and individual consumers, including those with limited incomes who would be hardest hit.

From the numerous studies that have been done to determine the effects of implementing the Kyoto Protocol, we know that we could expect a serious economic disruption. What is not so clear is whether there is a global climate change problem, and if so, how significant it is and what is its cause.

Therefore, I believe we must continue the debate and try to gain a better understanding of climate change and what action might be needed. To do so, we must continue funding of research and technology development. We must continue to support the voluntary efforts that many companies have undertaken to reduce greenhouse gases. And we must continue to support energy efficiency programs.

What we should not do at this time is to begin to implement the reduction requirements called for in the Kyoto Protocol. That should not happen until there has been a full debate and until this body has given its advice and consent to ratify the Protocol.

The Administration has assured Congress that it is not their intent to implement the Kyoto requirements in the absence of Senate ratification. Those assurances are appreciated. There is evidence, however, that efforts are underway to begin to implement the Kyoto requirements prematurely.

This is a concern because, as I said earlier, there is a potential for serious economic harm if the Protocol is implemented. Until we have eliminated the uncertainties surrounding climate change, and until we have had a full, open debate on the issue and appropriate responses, we should not embark on a path that could lead us into economic disarray. Implementation before ratification is not the responsible—nor constitutional—way to go.

That is why the Senate Appropriations Committee included in the VA/HUD report language clarifying that no funds should be used to implement the Kyoto Protocol. We must continue to provide for research efforts and other important programs that make sense, such as energy efficiency and voluntary initiatives, but we should not

begin to spend funds for a Protocol that has not yet been determined to be in the best interests of our country.

Mr. KERRY. Mr. President, I want to thank Senator BOND and Senator MIKULSKI for their hard work in bringing this bill to the floor so quickly and with such widespread support. It is a good bill—one which balances a number of competing demands while reinforcing the Senate's commitment to create new affordable housing and community development opportunities. This is not an easy task, and they deserve congratulations for successfully juggling many differing needs and interests.

While I wish that it could be more, I was pleased that President Clinton requested $50 million in funding for the cleanup of Boston Harbor. I am disappointed that the bill does not allocate funding for this project and other important water and sewer projects in Massachusetts. However, I am pleased that the House of Representatives has funded four important water and sewer projects in Massachusetts. I will be working to ensure that funding for Boston Harbor and other important water and sewer priorities are included in the Conference Report.

I believe that the overall budget for the Environmental Protection Agency is adequate. However, I am disappointed that bill does not include $600 million in funding to accelerate the cleanup of superfund sites which protect the public health.

I am also delighted that the bill includes a $500,000 appropriation to undertake interior restorations of Symphony Hall in Boston. For almost a century, Symphony Hall has been among the finest concert halls in the world and has been the center for classical music for the City of Boston and the New England region. These funds will be used to undertake interior renovations of Symphony Hall, including updating of the electrical, climate control, and fire protection systems.

I am pleased that the bill increases the level of funding that would be made available for medical care, benefits, pensions, and assistance programs to our nation's veterans in Fiscal Year 1999. I strongly believe that the administration's budget request for veterans—especially for VA medical care—sorely shortchanged the medical care needs of our veteran population as it is increasing in age and requiring additional health care attention. We have a moral obligation to ensure that all 25 million American veterans have adequate benefits and access to the best possible health care available.

I will continue to work diligently with my colleagues to find effective means to compensate veterans for smoking related illnesses and disabilities that directly resulted from the use of tobacco products during the veteran's active military service. Regrettably, the amendment raised by Senator WELLSTONE—that would have restored the ability of veterans to receive tobacco-related benefits eliminated with the enactment of the Transportation Equity Act for the 21st Century—did not pass. I cosponsored this amendment with the strong belief that the VA must retain this compensatory authority so that our veterans no longer are betrayed in underhanded attempts to secure funds for unrelated programs.

There is no parliamentary procedure or backdoor maneuver that can disguise the intention of the administration and many members of the Senate to deny veterans the ability to apply for these compensation benefits and the ability to receive health care treatment for them. America's veterans are painfully aware of these attempts. It is clear that our government actually contributed to the use of tobacco by service members when it supplied tobacco products free or at reduced prices. It is equally clear that our government has the responsibility to compensate them for the suffering they have incurred as a direct result. I remain committed to our nation's veterans and will do all I can to see that they receive the health care and attention they rightfully deserve.

There are many who would argue that the government no longer needs to focus its energies on housing and economic development initiatives. They say that the economy has never been stronger. They will site seven consecutive years of economic expansion. They will site growth in the GDP of 3.9% last year—the best showing in a decade. They will point to the lowest unemployment rates in 24 years and to the more than 14 million new jobs that have been created since 1993. And indeed, these are tremendous accomplishments for which the Clinton Administration is due a great deal of credit.

But to assume that all communities and individuals are benefiting from this growth would be a grave mistake. Nationwide the poverty rate in cities increased nearly 50% between 1970 and 1995. In all metro areas, central city unemployment rates are at 5.1%, a full one and a half points higher than their suburbs. It has also been estimated that only 13% of the new entry-level jobs created in the early 1990s were created in central cities. And tragically, while the nation is experiencing record levels of home ownership, there are still two million Americans who will experience homelessness in the next year.

This growing discrepancy in economic opportunity argues for a renewed commitment to funding for The Department of Housing and Urban Development programs. Unfortunately, over the past few years, the exact opposite has occurred. Since 1995, more than $11 billion has been cut from the HUD budgets. During this same period, HUD has instituted programmatic reforms that have produced savings of more than $4.4 billion. In other words, HUD has contributed more than $15 billion in savings and deficit reduction to the Federal government during a time when demand for its programs is growing. Now that the budget deficit has been eliminated, and there are projections of budget surpluses for the next decade, it is time to start reinvesting in housing, job creation and economic development for all Americans.

I believe that this bill takes a step in the right direction. On the whole, it provides additional funding for HUD above what was appropriated in FY 1998. $40 million has been appropriated to fund roughly 7,000 to 8,000 welfare-to-work vouchers. These vouchers establish a crucial link between housing and employment opportunities, while simultaneously helping those who are making a concerted effort to get off of welfare assistance. They are important tools whose significance cannot be understated given the uncertainty of welfare reform. It is unfortunate that the subcommittee was not provided enough funding to fully support the Administration's request to fund 50,000 welfare-to-work vouchers. It is also unfortunate, given these funding limitations, that the committee chose to earmark the vast majority of these vouchers for communities which may not have the greatest need.

I want to applaud the committee for striking a provision in previous appropriations bills which required housing authorities to delay the reissuance of vouchers and certificates for a three month period. The three-month delay meant that about one-fourth of all vouchers and certificates were taken out of circulation each month. As a result of the effective leadership shown by Senators BOND and MIKULSKI, repeal of the three-month delay provision means that approximately 30,000 to 40,000 more low-income families will be provided with housing assistance each year.

The committee is also to be congratulated for enhancing the commitment to fighting homelessness. This bill provides $1 billion in homeless assistance, a 22% increase over the $823 million appropriated for FY 1998. This money will be used by municipalities and non-profit organization to fund a variety of activities, locally determined, which address the needs of homeless Americans. This bill also includes a recommendation that at least 30% of these funds be used in support of permanent housing activities. Homeless providers and policy experts are nearly unanimous in their support for this set-aside. Permanent housing is the only long term solution to the homeless problem. I regret that the committee could not fund the Administration's request for 34,000 Section 8 vouchers for the homeless, but on the whole this bill reaffirms the Senate's commitment to ending homelessness.

It funds the Community Development Block Grant program at $4.75 billion, or $75 million more than was appropriated in FY 1998. These additional

funds will help communities fund economic development projects in distressed neighborhoods. Included in this appropriation is a $40 million set-aside for the Youthbuild program. I am the primary author of the YouthBuild legislation in the Senate. Youthbuild provides on-site training in construction skills, as well as off-site academic and job skill lessons, to at risk youth between the ages of 16 and 24. Approximately 7,300 young people have participated in Youthbuild programs to date. By increasing funding for this program by $5 million over what was enacted in FY 1998, the Senate has demonstrated a firm commitment to this very important program. More is needed, however, to help this program grow to meet the demand for these services. I will be working to increase the funding for this worthy program to $70 million in the Conference Report.

It is unfortunate that the committee could only make $85 million available for the Economic Development Initiative, another very important set-aside under CDBG. The EDI supports grants and Federal loan guarantees which allow municipalities to leverage private capital to promote economic development. HUD requested $400 million for EDI in FY 1999. At this higher level of funding, the EDI fund could serve as a mechanism for providing incentives for standardization of economic development loan criteria. Such standards could eventually serve as the foundation for development of a private secondary market for economic development lending—a step whose significance cannot be overstated. Our mortgage markets are the envy of the world because of their depth and liquidity—neither of which would be possible without the existence of government-sponsored secondary markets. These principles should be applied to economic development lending, and an enhanced EDI fund could provide the crucial first step. I hope that this need can be better addressed in conference.

We are currently seeing record levels of home ownership in this country, and HUD should take great pride in this accomplishment. The committee recognized the importance of home ownership, and has expanded the FHA single family mortgage insurance program to better reflect today's housing prices in high cost urban and rural areas. I support this provision. The FHA program is one of the most effective tools the government has for assisting low-income, minority and first time home buyers, and the modest expansion proposed by appropriators will help more middle income Americans realize the dream of home ownership. But we need to ensure that all who qualify for home ownership, regardless of race, creed or color, are afforded an opportunity to purchase a home in the neighborhood of their choice. Discrimination, as intolerable and deplorable as it is, is still a significant problem in this country—especially in the home purchase and rental market. That is why it is important to promote HUD's Office of Fair Housing and Equal Opportunity. The programs run out of this office support investigations, training, technical assistance, lawsuits and other locally developed initiatives that target and eliminate housing discrimination. Unfortunately, this bill falls considerably short of the Administration's request to fund these programs at $52 million for FY 1999. Worse yet, it institutes an onerous policy development requirement which may actually diminish FHEO's capabilities to protect Americans against housing discrimination. I believe the Department's fair housing policy is best set through the regular notice and comment rulemaking process, which takes into account the views of the public and the Congress. Adding additional requirements beyond this process will burden FHEO and hamper their vital mission.

Mr. President, this appropriations bill is not perfect. In addition to some of the shortcomings I've already highlighted, S. 2168 contains a significant cut in the public housing operating fund and continues to starve public housing of much needed capital funds. It does not fund HOME, lead-based paint initiatives, or homeless assistance at the levels requested by the Administration. Nonetheless, the bill has managed to increase funding for a number of very important HUD programs, which is no small task in a resource-starved environment. This bill places housing and economic development issues in the forefront of public debate, and takes a step in the direction of helping those who have yet to benefit from our nation's recent economic growth. I urge all of my colleagues to join me in supporting it.

AMENDMENT NO. 3199

Mr. DODD. Mr. President, had I been present for the vote regarding waiving the Budget Act for Senator WELLSTONE's amendment, I would have voted to waive the Budget Act. Senator WELLSTONE's amendment addresses the same issue as the point of order Senator MURRAY raised earlier this week. I supported Senator MURRAY then in her effort to ensure that veterans receive the compensation they are due, and I support Senator WELLSTONE. Although the Budget Act was not waived by a vote of 54–40, Senator WELLSTONE's effort was fitting and praiseworthy.

Veterans who suffer from smoking-related illnesses must be compensated by the government that encouraged them to smoke during their military service. During World War II, the government included cigarettes in the rations it issued to troops. Long after the government stopped issuing cigarettes, a ''smoke 'em if you got 'em'' culture pervaded military life. That culture led troops to begin and continue smoking, so this government has an obligation to do right by the men and women who once fought this nation's enemies. Many of those men and women are now locked in a different sort of combat. They battle against life-threatening, smoking-related illnesses, and in the meantime, this government is shifting funds away from veterans to pay for roads.

Today, the addictive nature of cigarettes is well known. Many veterans now smoke because they started during their military service. The government cannot deny this fact, nor can it walk away from veterans by denying them the compensation they are due. I will continue to stand with my colleagues who support providing for our veterans' needs.

PROSTATE CANCER RESEARCH

Mrs. BOXER. Mr. President, I introduced the Prostate Testing Full Information Act in June of 1997 following a series of town hall meetings in my State of California. At these meetings, we brought together the top prostate cancer experts in the State, the head of the urology branch at the National Cancer Institute, and prostate cancer survivors. Participants at these meetings reached consensus that Congress needs to do much more to fight prostate cancer. I introduced my bill to mobilize Congress on this issue and to increase resources to help the thousands of men who suffer from prostate cancer.

Last month, President Clinton announced the release of $60 million for prostate cancer research grants in a promising new Department of Defense program. This DoD research complements research at the National Institutes of Health. It is an essential component of the national effort to find effective treatment for prostate cancer.

To institute this program at the $60 million level, the DoD had to combine two years of appropriations. Even then, the program was only able to fund 25 percent of the worthwhile research projects presented. Every meritorious grant that goes unfunded is a missed opportunity to find a cure.

To ensure the strength of the DoD program, Congress should appropriate $80 million for fiscal year 1999. This would include $60 million to continue funding peer-reviewed research projects, and $20 million to maintain other elements of the DoD prostate cancer program, such as the prostate cancer imaging project at Walter REED Medical Center and research initiatives to target minority populations. To appropriate anything less than $80 million would send a devastating message to the men living and dying from this disease, to their families, and to the scientific community that is working to find a cure.

The Senate Appropriations Committee has proposed, at a minimum, funding prostate cancer research at the same level as last year. That proposal is not good enough. We need to do more on prostate cancer—not the same as we have done in the past. The Senate proposal does not provide sufficient funds to expand prostate cancer research. We need to appropriate at least $80 million for prostate cancer research at the DoD

if we are to reach our goal of funding a cure for this disease.

41,800 American men will die from prostate cancer this year. It is the most commonly diagnosed non-skin cancer among all Americans. More than 15 percent of all new cases of cancer this year in America will be prostate cancer, but less than 4 percent of total federal cancer research funds go to prostate cancer research. In the United States, prostate cancer kills about the same number of men each year as breast cancer kills women, yet prostate cancer receives only one-sixth of the research funding for breast cancer. This does not mean we should cut breast cancer research. Rather, we need to significantly increase our commitment to prostate and other cancer research.

Yesterday, 575 men were diagnosed with prostate cancer; another 575 men will be diagnosed today. 114 men died yesterday of prostate cancer and that same number will die today. We cannot make a difference for yesterday or today. But we can and must make a difference for tomorrow. I urge my colleagues to support this increase in funding for prostate cancer research at the Department of Defense so we can make true progress in the fight against devastating disease.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. LEAHY. Mr. President, I would like to commend Senator BOND and Senator MIKULSKI for once again crafting a VA–HUD Appropriations bill which deals fairly with a wide variety of competing programs and interests. I know that budget constraints have made the job especially difficult in recent years, but within those constraints in general, this bill reaches a very good balance.

There are two provision in the bill which I have concerns about and which I hope can be addressed in conference. The first is funding for the Community Development Financial Institutions (CDFI) Fund. The Senate bill provides $55 million for this important program, $25 million below last year's level and $70 million below the President's request.

The CDFI Fund is an economic development initiative that was adopted with overwhelming bi-partisan support several years ago. The program is an important investment tool for economically distressed communities. CDFI leverages private investment to stretch every Federal dollar. The VA–HUD Appropriations bill reported by the House Appropriations Committee includes level funding for CDFI, still well below the level requested by the Administration. This program is working effectively in communities across the country, and I believe additional resources are needed to maximize the value of this important Federal investment. I look forward to working with Senator MIKULSKI and Senator BOND during conference to provide additional funding for this program.

The second provision I would like to address is Section 214 of the Senate bill. Section 214 specifically prohibits the Department of Housing and Urban Development (HUD) from providing any extra points or preferences to grant applications from Empowerment Zones or Enterprise Communities on the basis of their special designation. This prohibition is in direct opposition to the approach Federal Departments have taken since the creation of the Empowerment Zone program, of providing modest advantages to applications from designated communities. The grant preferences HUD offers to designated communities are indeed modest, two points out of a total score of 100. These extra points will not provide the boost needed to allow bad applications to be chosen over good ones just because the poorer application is submitted from an Empowerment Zone or Enterprise Community. What they do provide is an incentive for designated communities to continue to pursue the initiatives they set out in their application for Empowerment Zone status. I strongly oppose this provision and will work with Senator BOND and Senator MIKULSKI in conference to drop it from the VA–HUD Appropriations bill.

Mr. KENNEDY. Mr. President, despite overwhelming public opposition to weakening protections for the environment and public health, some members of Congress are attempting to do so indirectly, by including anti-environment and anti-health directives in committee reports accompanying this year's appropriations bills. Often, these policy directives flatly contradict specific laws or the statute books.

One particularly insidious example would endanger children. In the last Congress, with broad bipartisan support, we enacted the Food Quality Protection Act to provide safeguards against exposure to dangerous pesticides. But now, the Senate committee report accompanying this VA-HUD Appropriations Bill contains language that could delay implementation of key parts of this law for years, prolonging exposure of children to pesticides used in treating high chairs, sponges, cutting boards and other products used by children.

The use of pesticides in these products is unauthorized, but unauthorized uses have become a serious problem in recent years. Some manufacturers are taking pesticides intended for other uses, and using them in connection with common household products, and advertising the products as safe. Very little research has been carried out to determine whether these household uses are safe. Until they are shown to be safe, their use in such products should be restricted. EPA has the authority to do so, and EPA is right to do so.

Under the Food Quality Protection Act, the Environmental Protection Agency has recently acted against manufacturers who use pesticides in ways not approved by EPA. Usually, the manufacturers make unproven claims that their products kill salmonella or other germs, and state or imply that the products are safer for children than other products on the market that have not had such treatment.

The Committee report on the current bill asks EPA to go through the process of promulgating a formal rule before moving forward with such enforcement actions. EPA has already given extensive opportunities to the industry to comment on the agency's rules on this issue. A formal rulemaking procedure is unnecessary and will result only in delay of needed action and needless litigation to block such protection.

Obviously, committee report language cannot change current law. I urge the Administration to ignore all policy directives in reports that are inconsistent with existing law and that would undermine the environment and public health. EPA should continue its important mission of protecting the environment and children's health.

Mr. MURKOWSKI. Mr. President, today I rise to thank my colleague, the Chairman of the VA/HUD Appropriations Committee, Senator BOND, for including in this appropriations bill an important provision—one that would unlock and open the door to many first-time home buyers.

As we are all aware, it is often the downpayment that is the largest impediment to home ownership for first-time home buyers. The Federal Housing Administration (FHA) began a pilot program two years ago to help families overcome that impediment by lowering the downpayment necessary for an FHA home mortgage.

Mr. President, I am pleased to say that the pilot program, which is located in Alaska and Hawaii, has reported great success.

This pilot program is effective because it accomplishes two feats: (1) it lowers the FHA downpayment, making it more affordable; and (2) it makes the FHA downpayment calculation easier and more understandable for all parties to the transaction. The pilot program requires—on average—only a minimum cash investment of three percent for home buyers.

Earlier in the year, I and Senators STEVENS, AKAKA and INOUYE, introduced a bill that amends the National Housing Act by simplifying the current complex downpayment formula. The simplified formula creates a lower, more affordable downpayment. Our bill would extend this lower and simplified downpayment rate to perspective home buyers across the country.

Mr. President, the pilot program is a win-win situation: affordable homes are made available to responsible buyers without any increase in mortgage default rates. Here's what mortgage lenders have reported:

There is no indication of increase in risk. The loans we have made to date have been to

borrowers with excellent credit records and stable employment, but not enough disposable income to accumulate the cash necessary for a high downpayment.—Richard E. Dolman, Manager, Seattle Mortgage, Anchorage Branch.

Is the 97% program working? The answer is a resounding YES!. . .In this current day, it takes two incomes to meet basic needs. To come up with a large downpayment is increasingly difficult, especially for those just starting out. The 3% program is a good start. . .I do not believe that lowering the downpayment increased our risk. . .—Nancy A. Karriowski, Alaska Home Mortgage, Inc., Anchorage, Alaska.

We have experienced nothing but positive benefits from the FHA Pilot Program Loan Calculation in Alaska and Hawaii.—Roger Aldrich, President, City Mortgage Corporation, Anchorage, Alaska.

In fact, but for the pilot program, approximately 70% of the FHA loan applications in Palmer, Alaska would be rejected, simply because the buyer could not afford the downpayment. Mr. President, thanks to this pilot program, more and more deserving Alaskans are becoming home owners.

Mr. President, our legislation has the support of the Mortgage Bankers Association of America, the National Association of Realtors, the National Association of Home Builders and the U.S. Department of Housing and Urban Development. They believe, as I do, that borrowers in all states should benefit from the simplification of the FHA downpayment calculation.

Therefore, I am pleased that the Chairman of the Subcommittee has included in this appropriation bill a provision to expand the Alaska/Hawaii demonstration program to all states. The provision only offers the program as a two-year demonstration project, whereas, my legislation would have made it permanent—but I understand the Chairman's desire to continue evaluating the costs of this program before permanent status is granted.

Mr. President, I firmly believe that helping American families realize their dream of home ownership is vital to the Nation as a whole. This important provision in the VA/HUD appropriations bill does much to assist families in owning their first home—thereby making the American dream of home ownership a reality.

Mr. HARKIN. Mr. President, with respect to the HUD Section 811 program, does the bill provide for continued funding for the ''mainstream'' voucher and certificates program?

Mr. BOND. The bill allows HUD to direct 25% of the funds allocated for the HUD Section 811 toward tenant-based rental assistance for people with disabilities—$48.5 million. Congress has allowed HUD to transfer these funds for ''mainstream'' vouchers and certificates in both FY 1997 and FY 1998. In addition, the bill grants HUD specific waiver authority with respect to existing programmatic requirements under Section 811. This limited waiver authority is intended to assist HUD in furthering the overall goals of the 811 program by increasing housing opportunities for persons with the most severe disabilities.

Mr. HARKIN. I believe that the voucher and certificate 811 program would be more beneficial to those with significant disabilities if non-profit organizations with significant experience providing such services would be fully engaged, working with housing authorities. And, I believe that HUD should give favorable treatment to applications providing for substantial assistance by non-profit organizations with experience in helping the severely disabled.

Mr. BOND. I agree. As my colleague knows, non-profit organizations that traditionally serve persons with severe mental and physical disabilities are a critical part of the success of the section 811 program. Any federal programs intended to meet the housing needs of people with mental and physical disabilities should draw in the expertise of organizations that have experience in providing supports and services to adults with severe disabilities. By contrast, the current ''mainstream'' voucher and certificate program does not currently consider this very important issue in the allocation of certificates and vouchers. Housing authorities should be encouraged to increase their coordination with non-profit organizations and the awarding of the vouchers and certificates should be based, in part, on that factor.

Mr. HARKIN. I appreciate the Chairman's assistance in this matter.

RECOGNITION OF OZANAM IN KANSAS CITY, MISSOURI

Mr. BOND. Mr. President, I rise today to recognize Ozanam in Kansas City, Missouri for its service to the community. For fifty years, Ozanam has been helping children and families in turmoil. Ozanam facility and staff help children reach their full potential and become productive members of society.

Ozanam began in the home of Mr. Al Allen, a Catholic Welfare Staff member, who after noticing the lack of help for emotionally disturbed adolescents, took it upon himself to being six boys into his own home to give them long-term care, education and guidance. However, in just a year's short time, the need for a larger facility became apparent. Presently, the agency occupies 95 acres including two dormitories, a campus group home, a special education center that contains vocational training classrooms, indoor and outdoor recreation facilities and a spiritual life center.

During its existence, Ozanam has had some outstanding staff and administration to help the more than 4,000 children who have stayed there. Paul Gemeinhardt, President, Judith Hart, Senior Vice President of Development and Doug Zimmerman, Senior Vice President of Agency Operations, deserve special recognition for their undying commitment and service to Ozanam.

I commend the staff of Ozanam for their untiring dedication to helping children and their families in their time of need. I join the many in Missouri who thank Ozanam for its good work and continuing efforts to better the community. Congratulations for fifty years of service.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I just wanted to raise an issue to my colleague from Missouri, the manager of the bill, and the distinguished Senator from Maryland. This is just as an issue to raise with you. We may want to take a look at it. I regret I didn't bring this up earlier.

Under the present system, as I understand it, nurses at VA hospitals do not receive cost-of-living adjustments. It is based on locality pay. In many areas around the country, nurses in our VA hospitals have not been getting raises. It is a bit more complicated an issue than just a simple amendment to deal with this, but for the last 3 years, in many veterans hospitals there have been no cost-of-living or locality increases during a robust economy.

Many of these, mostly women but some men, work very hard on behalf of our veterans. I know all my colleagues know and understand this. I urge, if we could, maybe enter into a colloquy in some way and look at report language in which we might examine that issue in terms of how, for nurses who work in these hospitals, we may be able to work out some better pay increase arrangement for them at these VA hospitals. I really raise that for the consideration of the two managers of the bill.

I apologize for interrupting what I know is a decision to just move to final passage on this bill.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, frankly, I am not aware of this problem, but I sincerely appreciate the Senator from Connecticut raising it because it sounds like a very serious problem. I can assure the Senator, our staffs and we will work with the Senator to try to get to the bottom of this because we want to maintain the highest caliber professional service to our veterans in the VA system.

I am not prepared to say anything about how it is occurring or why, but I assure the Senator we appreciate his bringing it up and we will look into it and work on it. Perhaps in conference we can take some action.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, I thank the Senator from Connecticut for raising this issue. It is never too late to raise the issue about the quality of care that our veterans get. That means we need to be able to retain the very best from our nurses. The Senator has brought to our attention an issue which I believe has not been raised before. As we move to conference, you have the assurance of your colleague on this side of the aisle, we will look

into the matters raised and see how we can do the redress in conference, if a remedy is necessary.

But you have really brought something to our attention. It is important to the nurses who give care that they get paid and are retained, and we say thank you by adequate pay. Second, it has a direct impact on veterans' care, because the more we retain the best, the better care they get. So I thank the Senator from Connecticut.

Mr. DODD. Madam President, let me say, I thank both the distinguished Senator from Missouri and the distinguished Senator from Maryland for their comments. As I said, I think it is a complicated issue. I don't mean to suggest it is simple. But I really do appreciate—I know the nurses all across the country who work in our veterans hospitals really appreciate the attention I know our colleagues will give to this issue, to see if some mechanism can be offered to try to address this issue.

I am very grateful to both of them. I know the nurses in the hospital in West Haven, CT, are, and I am certain they are in other parts of the country as well.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

(The text of the bill (S. 2168) will be printed in a future edition of the RECORD.)

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

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Madam President, I know there may be a couple of statements by the managers of the bill. I thank them for the work they have done. They stayed here until about midnight last night.

The distinguished chairman from Missouri and ranking member, Senator MIKULSKI from Maryland, have done outstanding work. By staying here until midnight last night, they completed a bill that probably would have taken 2 full days next week, so I congratulate them for their good work. We just passed the HUD-VA appropriations bill. That is the fourth appropriations bill this year.

We will next proceed to the legislative appropriations bill. However, no further votes will occur during today's session. Because of the good progress we are making and the cooperation we are receiving, we can go to the legislative appropriations bill. Any votes with respect to the legislative appropriations bill will be postponed to occur at 9:30 a.m. on Tuesday. Therefore, there will be no recorded votes on Monday. On Monday, the Senate will begin the State-Justice-Commerce appropriations bill.

Mr. FORD. Madam President, will the distinguished majority leader yield for a quick question?

Mr. LOTT. I will be glad to yield to the Senator from Kentucky.

Mr. FORD. On the legislative appropriations bill, will there be no further amendments after today if we have to vote on them next week?

Mr. LOTT. I respond, Madam President, to the Senator from Kentucky, it is our intent to complete debate on all amendments with the possibility of one amendment where there could be some further debate on that on Monday. But all debate on all issues will be completed during today, except that one amendment. There could be 2 hours debate on Monday and hopefully complete it with a voice vote; hopefully complete legislative appropriations on Monday. If a vote or votes are required, they will not occur until Tuesday morning.

Mr. FORD. I am not particularly worried about when you have a vote on final passage. I am worrying about cutting off amendments, so that when Monday comes and somebody thinks of another amendment, they will be cut off.

Mr. LOTT. We will propound another unanimous consent request to lock that in.

There will be no more recorded votes today and no recorded votes on Monday. The next will occur at 9:30 a.m. on Tuesday.

Mr. BOND. Madam President, I express appreciation to the leadership on both sides—the majority leader and the minority leader—for enabling us to get back on this bill and move it through. I thank all Senators for their accommodations and for working with us to get a very challenging and interesting bill finished.

I express particular appreciation to Senator MIKULSKI. She has been an absolutely invaluable ally in making accommodations and working out reasonable agreements on this bill. Last night she said her clear, cogent, and charismatic comments, which helped us move the bill forward in an expeditious fashion.

I express thanks to her very able staff, Andy Givens, David Bowers, and Bertha Lopez.

I thank my staff, John Kamarck and Carolyn Apostolou, as well as members of my personal staff who helped on the bill. We look forward to taking this measure to conference and working on it in the most efficient and effective way possible. I appreciate the assistance of all those who stayed with us last night. Their sense of humor continued into the small hours of the morning, and I am most grateful for that.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, first, I thank the leadership—the Republican leader and the Democratic leader—for giving us a window of opportunity which enabled us to move the bill. Yes, it was late at night, but we did due diligence and deliberation. I am proud to support the final passage of this bill. It is good for the Nation; it is good for my own home State.

We provide increases for veterans' medical care and veterans research. We fought to restore cuts in elderly housing, and we provided increases in the high-tech future through NASA and the National Science Foundation. We are going to get behind our kids in terms of the funding for national service and those wonderful informal science programs at the NSF.

We worked to protect our environment, as well as stand sentry to help our communities in the event of a disaster. I was particularly pleased to work on a bipartisan effort to increase antiterrorist efforts in the FEMA program and to make sure that we protect our Nation from any foe, domestic or foreign. That is our oath, and that is what we will do.

Also in this funding, we look for those important things that look out for the Chesapeake Bay and deal with important research on pfiesteria.

Madam President, this is a good bill. I was pleased to work with Senator BOND. Again, this is a partisan-free zone that we had called for. I thank him. I thank his professional staff for their very professional behavior. I thank my own staff for the hard work that they put into this bill, and I look forward to working in conference and perhaps getting our conference done before the August recess.

Madam President, that concludes my remarks on this bill. Again, thanks to John Kamarck, Carolyn Apostolou, Andy Givens, David Bowers, and Bertha Lopez.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

COEUR D'ALENE LAKE AND BASIN

Mr. CRAIG. Madam President, I chose not to offer an amendment on VA–HUD, and I thank Senator BOND and Senator MIKULSKI for the tremendous work that they have done.

For a few moments, if I can have the attention of the Senate, Madam President, I want to speak to an issue that is not unlike what the Senator from Nebraska spoke to last evening, a very real concern of mine and the Idaho congressional delegation and the citizens of our State. This is an issue that particularly affects north Idaho, the beautiful lakes and the mountains that we are so proud of in my State and that many of you have come to enjoy.

As I said, I was prepared to offer an amendment that would assure the Environmental Protection Agency would participate in the mediation process that is currently underway in my State over the issue of the Coeur d'Alene Basin.

On May 4 of 1998, U.S. News & World Report published an article dealing with supposed pollution in the Coeur d'Alene Lake and Basin. I read the article with near disbelief. For the first

2½ pages, I read of a land fouled by pollution, of poisoned fish and dying wildlife, and the Idaho congressional delegation ''scrambling'' to block the creation of a Superfund site of over 1,500—let me repeat—a Superfund site proposed of over 1,500 square miles in my State stretching into the State of Washington and the Pacific Northwest.

I read the article and said, could this be the land that I know and love, a land of beautiful forests, mountains, lakes, rivers, the Coeur d'Alene area, ''considered to be one of the most beautiful mountain lakes in the world''? I have put this in quotes because it is a direct quote from the web site of the Coeur d'Alene Basin Indians. The Coeur d'Alene Indians talk about the beauty of the land, and yet the Coeur d'Alene Tribe has also filed a lawsuit asking for a Superfund natural resource damage settlement in the basin that could be up to $1 billion.

One would believe that another study is needed to understand the horrible pollution that is described in the beginning of that article.

But then I arrived on page 3 of the U.S. News & World Report article and read about the lake, this beautiful lake that I have just spoken of, a lake that meets Federal drinking water standards and that the sediments in the lake are not known to be causing problems. Indeed, thousands of people swim in this lake every year. They boat in its waters; they fish, they camp and recreate along its shores.

Over the Fourth of July break, just a few weeks ago, 40,000 to 100,000 people came to recreate in and around Lake Coeur d'Alene. Several communities draw their drinking water from the river below the lake. The water they consume continually meets tough Federal drinking water standards.

A recently completed statistical validation study by the State of Idaho, with assistance from the Coeur d'Alene tribe and a toxicologist at the Federal Agency for Toxic Substances and Disease Registry, with data analysis from the Federal Centers of Disease Control and Prevention, have said and found no contaminated fish in the waters of this lake.

The Environmental Protection Agency and other Federal agencies have spent millions of dollars from the public coffers to study the situation. Lawyers are litigating and making hundreds of thousands of dollars and building beautiful homes along the lake's shore from the money they make from this lawsuit as they describe the poisonous sediments of this lake. Now, remember, this is the lake that I just said meets Federal drinking water standards.

What is going on up there? Well, it is not unlike what the Senator from Nebraska talked about last night—an EPA that just keeps on running and keeps on moving and pushing the regulations when there is no basis under Federal law and tests for that. Looks like they have just got to have something to do.

Should we be looking for ways to address the problem rather than pursuing study after study that appears to lead to more studies? Well, I think the answer is yes. That is why the Idaho congressional delegation has introduced legislation to improve cleanup efforts rather than to fuel more lawsuits and spend more taxpayers' dollars studying the already well-defined problem.

This legislation has been approved by the Senate Environment and Public Works Committee. This is what we need to do in the Coeur d'Alene Basin. We need to stop EPA and work to resolve the issue instead of spreading it to a 1,500-square-mile area. It is impossible to believe that when we created the Superfund law that we were intending EPA to even reasonably think about an area of 1,500 square miles. That is bigger than some States here on the east coast.

I have not offered the amendment because EPA is now beginning to negotiate with the State of Idaho. I hope they can continue to work together to resolve this issue and not expand a Superfund site beyond the limited one we have that is now being well addressed and properly cared for.

I thank the chairman of the Appropriations Committee, Senator BOND, for being reasonable and working with us on this issue.

But EPA ought to get the message, and the Justice Department ought to get the message: Politics is one thing, but spending America's taxpayer money—millions and millions of dollars—to play the political game is yet another thing. To tie up the beautiful Lake Coeur d'Alene and the city of Coeur d'Alene, one of the No. 1 destination sites in the Nation for tourism and recreation, an area that you can walk out into the lake and swim in the lake and drink the water, and yet EPA is suggesting, and the Coeur d'Alene Indians are suggesting, that this should be a Superfund site? I would hope not.

In fact, I hope this Congress would wake up to the games that have been played in the EPW Committee not to allow Superfund reauthorization out because somehow it does not fit the politics of the current administration. It does not make a lot of sense, certainly does not make any sense in Idaho.

I hope EPA will continue to negotiate with our State to resolve this issue. If not, the Idaho congressional delegation will be forced to take quick action to resolve the issue here. I think finally we are going to get the understanding of our colleagues because of their recognizing that Superfund does not work anymore. It just means a lot of lawsuits and a lot of politics.

I yield the floor.

Mrs. MURRAY. Mr. President, I would like to respond to the statement my good friend from Idaho, Senator CRAIG, made about the Environmental Protection Agency and the Coeur d'Alene Basin's pollution problems. I appreciate that he did not offer his amendment, which I would have opposed, because I believe it would have severely restricted the State of Washington's rights to protect its citizens from pollution generated in Idaho.

At least one version of the senior senator from Idaho's proposed amendment would have given the governor of Idaho veto power over the Environmental Protection Agency's ability to protect the watershed shared by Washington and Idaho citizens. The amendment would have prevented the EPA from even studying expansion of the existing Superfund site without the Idaho governor's permission.

This is a bad precedent. I know there are many times when decisions made in one state can affect the quality of the water in another state. In this case, the Governor of Washington has publicly stated his support for potential expansion of the Superfund site to ensure all polluted waterways are cleaned up. Why should the governor of Idaho be allowed to thwart efforts to protect the quality of water in Washington?

I don't think he should.

Mr. President, I have written a letter to Senators CRAIG and KEMPTHORNE asking them to work with me to develop a way to ensure we cost-effectively clean up the Coeur d'Alene Basin while ensuring my state's interests aren't jeopardized in the decision making process. I firmly believe we can do this.

I am committed to protecting water quality in the State of Washington. I believe we could establish a working commission, which would include the federal government, both state governors, and tribes, that could develop a model by which the Coeur d'Alene Basin would be quickly, cost-efficiently, and rationally cleaned up. However, giving one state's governor veto power is not the way to do it.

I pledge to work with the Idaho delegation, the State of Washington, and concerned citizens to ensure our waters are as pure as they can be. There are few more precious natural resources than water and we all must work to protect it.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

ON THE VICTORY FOR FHA INSURANCE

Mr. D'AMATO. Madam President, I was tremendously heartened by the vote today on an amendment which would have set back home ownership tremendously. Indeed, by a vote of 69 to 27, the Senate voted to table the amendment offered by Senator NICKLES which would have limited FHA insurance to over 50 million Americans.

Currently, there are 52.5 million Americans who live in high-cost areas where FHA simply does not reflect the reality of the marketplace. In high cost areas, such as Nassau County, New York the current FHA limit of $170,000 is insufficient because the median cost for a home was $195,000 in 1997. It is nearly impossible for many young families starting out to achieve the American Dream of homeownership. Let me

be clear, we are not talking about wealthy families; we are talking about a two-wage-earner couple, just married, a schoolteacher and a police officer—struggling to accumulate the necessary funds for that first downpayment.

In many high cost areas, FHA no longer covers the cost for entry-level, new starter homes. In Levittown, Long Island—which epitomized post-war expansion of homeownership for working, middle-class families, especially for GIs returning home from the war—that opportunity, unfortunately, is becoming more difficult today. Even in times where we say the economy is booming and a nationwide rise in homeownership, families in high cost areas are too often being left behind. Indeed, in many of these high cost areas, the homeownership rate is lagging far behind the nationwide average. Young families starting out on their own have to come up with $25,000 for a downpayment—which is very, very difficult to achieve, especially in an area where the cost of living places such a tremendous strain on the family budget. We are not talking about people of affluence. Nor are we talking about magnificent estates or mansions, but simply average median-cost homes.

Indeed, in Long Island, where homeownership has been such a key ingredient to permitting people to work and live as part of a community, home ownership is becoming more difficult for these working, middle-class families. It is simply beyond their reach. Thankfully, today we have helped to bring relief to families in high cost areas by raising the FHA limit. In Long Island, the area that I grew up in and live in, where there are nearly 3 million people, we will now be providing greater opportunities for young middle class families to own their own home. The current FHA limit, which is set at $170,000, is simply too low in an area where there are relatively very few homes that can be purchased in all of the island for $170,000 or less. By raising the limit up to $197,000, FHA will better reflect the reality of the marketplace where the median home prices in Nassau and Suffolk Counties were $195,000 in 1997. We will now be providing that opportunity to thousands of young families who will be looking to purchase that first home in Long Island.

Nationwide, about 21 percent of the Nation's population lives in high-income areas. Again, this FHA increase in not for the benefit of the affluent—they do not need FHA insurance and will continue to be served by the private market. Indeed, they buy homes that cost much more than $197,000.

What we have done is, I believe, struck a blow for home ownership, for young families who want to get an opportunity, from one length of the country to another.

The mayor of Albany, Mayor Gerald Jennings, he called me yesterday. He was concerned because of the outlying communities in the Albany area. The county executive from Nassau, Tom Gulotta, called me because his housing experts advised him that too many young families are being denied the opportunity to purchase a home. They need to be able to get FHA insurance for young families who are starting out on their own.

I commend the Senate for overwhelmingly supporting this provision by a vote of 69–27 to raise the FHA limits in high cost areas. I believe we achieved a big victory for home ownership throughout this country today.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KERREY. Madam President, I ask unanimous consent I be permitted to speak as in morning business until 11 o'clock.

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

SOCIAL SECURITY

Mr. KERREY. Madam President, the issue of Social Security has been given a new bit of attention this week. Senator JUDD GREGG of New Hampshire and Senator JOHN BREAUX of Louisiana announced their intent to introduce legislation that effectively takes the recommendations of a year-long study and recommends a number of changes.

I like their proposal, Madam President. Senator MOYNIHAN and I earlier introduced legislation that proceeds along similar lines. Senator GRAMM and Senator DOMENICI are working on their own proposal. The President has suggested that we have a year-long discussion of Social Security and that sometime in the latter part of this year/first of next, he will call the congressional leadership in and we will try to solve this problem in 1999. That will be very difficult to do unless these discussions are conducted in an environment where we make a real effort to educate the American people about what Social Security is and what Social Security isn't.

There was a recent Town Hall meeting on Social Security in Providence, RI. I attended the first meeting in Kansas City, MO. Indeed, the President was at Georgetown when he kicked this whole thing off earlier this year. When he was introduced at Georgetown, a woman who is a student at Georgetown did something quite interesting and quite common in the Social Security debate. She said when she took her first job, she noted on her paycheck that there was a person called FICA. She went home to her mother and said, ''Mom, who is this FICA person, and why are they taking so much money from me?'' She had discovered the payroll tax, which is the largest tax burden on working Americans today.

I note that there is growing interest in using the surplus, that we have to use it to do some kind of a tax cut. I intend to argue that if taxes are going to be cut, it ought to be the payroll tax that gets cut. FICA is the largest tax for nearly 70 percent of Americans. The median family in Nebraska will pay twice as much in FICA taxes—in payroll taxes—as in income tax.

As this young Georgetown woman went on to say, her mother told her that FICA is a payment she is making into Social Security that she will get back out when she retires. And she hopes, she said to the President, that their discussion will lead to the protection of the money she has paid in over the years. Relevant to the discussion of Social Security, one of the things I hope the President and the Vice President will do when they are having a discussion of Social Security—is to allow workers to have just that—the ability to use a portion of their payroll taxes to create wealth for retirement.

You hear other people describe Social Security as a program with a poor rate of return. As I said, I did not go to the Providence discussion, but I sent staff to it and they reported back that numerous people expressed the view that Social Security is a savings program, that individuals are making a contribution into it, and all they are getting back is what they paid in.

It is not a savings program. You own nothing with Social Security. Social Security is a payroll tax, and it is a tax that is imposed upon people who are working. The proceeds of that tax come to the Federal Government, and are distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits. For retirees, there is an early eligibility age of 62, and there is a normal eligibility age of 65. There are also many people who actually choose to take a later eligibility of 70, where they can get a higher level of benefits.

This is very important. As the President goes forward with the discussion on Social Security, he is the principal leader in this regard. He has the bully pulpit. I praised him before and I praise him again for taking this issue on. It is an extremely important program and has benefited Americans enormously. It has changed the face of this country. It is a moral commitment that we make. But, it is not a rate of return program.

I urge the President and the Vice President, when they are leading these discussions, if there is any confusion, to say to Americans that this program is an intergenerational commitment. By maintaining the current program, those of us who are working allow ourselves to be taxed at a fixed rate, and