

colleagues to join Senator THURMOND and myself in supporting a program that has proven to be successful and beneficial to the most deserving of Americans, our veterans, by permanently reauthorizing the VA Adjustable Rate Mortgage Program.

Mr. THURMOND. Mr. President, I rise today to introduce legislation, with Senator WARNER, that will permanently extend the authority of the Secretary of Veterans Affairs [VA] to guarantee loans with adjustable rate mortgages [ARMS].

The Veterans Home Loan Program Amendments of 1992 made significant changes to the VA Home Loan Program. Included in that bill were provisions establishing a demonstration project authorizing VA to guarantee ARMS during fiscal years 1993-95.

The Loan Guaranty Program is a benefit of great value to veterans and to the Nation. This program provides housing credit assistance to satisfy the mortgage credit needs of veterans and members of the Armed Forces. It provides private capital on more liberal terms than are generally available to nonveterans, without the assumption of undue risks by the Federal Government. Veterans are assisted primarily through the use of the Government's guaranty on loans instead of the substantial down payment and other investment safeguards applicable to conventional mortgage transactions. Since the program's inception in 1944, the VA has guaranteed nearly 15 million loans totaling more than \$500 billion.

The ARM program offers veterans another choice in the mortgage market, particularly when interest rates are high. It is particularly useful to first-time home buyers who can obtain loans with interest rates generally lower than fixed rate loans. The VA ARM allows a maximum of 1 percent interest annually with a 5-percent maximum interest rate increase over the life of the loan. These annual and lifetime caps are identical to those contained in the Federal Housing Administration [FHA] ARM program, which is permanently authorized.

During the pilot program, the popularity of ARMS was well established. According to VA statistics, during fiscal year 1995, approximately 20 percent of all loans guaranteed were ARMS. This was double the ration of ARMS to all loans guaranteed in fiscal year 1994. During the test period of 1993-95, ARMS totaling \$14.9 billion were guaranteed. In South Carolina, nearly 2,000 ARMS were originated, with a value of more than \$181 million.

Mr. President, this bill will permanently authorize a worthy program. ARMS are a valuable financing tool for American families. They are used extensively nationwide by conventional and FHA home buyers. This bill will permit qualified veterans to take advantage of ARMS, if they so choose. I urge my colleagues to join Senator WARNER and me in the permanent reauthorization of the VA Adjustable Rate Mortgage Program.

#### ADDITIONAL COSPONSORS

S. 628

At the request of Mr. KYL, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 628, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 1189

At the request of Mr. DEWINE, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1189, a bill to provide procedures for claims for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 1603

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1603, a bill to amend the Small Business Act concerning the level of participation by the Small Business Administration in loans guaranteed under the Export Working Capital Program.

S. 1610

At the request of Mr. BOND, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1610, a bill to amend the Internal Revenue Code of 1986 to clarify the standards used for determining whether individuals are not employees.

S. 1645

At the request of Mr. STEVENS, his name was added as a cosponsor of S. 1645, a bill to regulate United States scientific and tourist activities in Antarctica, to conserve Antarctic resources, and for other purposes.

S. 1964

At the request of Mr. BINGAMAN, the names of the Senator from Idaho [Mr. CRAIG], and the Senator from Hawaii [Mr. INOUE] were added as cosponsors of S. 1964, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare program of medical nutrition therapy services of registered dietitians and nutrition professionals.

S. 1970

At the request of Mr. MCCAIN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 1970, a bill to amend the National Museum of the American Indian Act to make improvements in the Act, and for other purposes.

S. 1987

At the request of Mr. FAIRCLOTH, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1987, a bill to amend titles II and XVIII of the Social Security Act to prohibit the use of social security and Medicare trust funds for certain expenditures relating to union representatives at the Social Security Administration and the Department of Health and Human Services.

S. 2005

At the request of Mr. WYDEN, the name of the Senator from Massachu-

setts [Mr. KENNEDY] was added as a cosponsor of S. 2005. A bill to prohibit the restriction of certain types of medical communications between a health care provider and a patient.

S. 2031

At the request of Mr. DOMENICI, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from North Dakota [Mr. DORGAN] were added as cosponsors of S. 2031, a bill to provide health plan protections for individuals with a mental illness.

#### SENATE JOINT RESOLUTION 52

At the request of Mr. ABRAHAM, his name was withdrawn as a cosponsor of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

#### SENATE RESOLUTION 288—REGARDING THE UNITED STATES RESPONSE TO IRAQI AGGRESSION

Mr. DASCHLE (for Mr. LOTT, for himself, Mr. DASCHLE, Mr. THURMOND, and Mr. WARNER) submitted the following resolution; which was considered and agreed to.

S. RES. 288

Whereas the United States and its allies have vital interests in ensuring regional stability in the Persian Gulf;

Whereas on August 31, 1996, Saddam Hussein, despite warnings from the United States, began an unprovoked, unjustified, and brutal attack on the civilian population in and around Irbil in northern Iraq, aligning himself with one Kurdish faction to assault another, thereby causing the deaths of hundreds of innocent civilians; and

Whereas the United States responded to Saddam Hussein's aggression on September 3, 1996 by destroying some of the Iraqi air defense installations and announcing the expansion of the southern no-fly zone over Iraq; Now, therefore, be it

*Resolved*, That the Senate commends the military actions taken by and the performance of the United States Armed Forces, under the direction of the Commander-in-Chief, for carrying out this military mission in a highly professional, efficient and effective manner.

#### AMENDMENTS SUBMITTED

#### THE DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1997

#### HOLLINGS AMENDMENT NO. 5187

Mr. BOND (for Mr. HOLLINGS) proposed an amendment to the bill (H.R. 3666) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1997, and for other purposes; as follows:

At the appropriate place in title II of the bill, insert the following new section: