is tomfoolery. It dodges the essential point that most defense spending from 1947 to 1992 was devoted to dealing with the Soviet Union and its allies, a threat that no longer exists.

Politicians should also recognize that Pentagon spending is a significant force only in communities with large defense manufacturers or military bases. Pentagon spending is not the flywheel of prosperity in a $7 trillion national economy.

Certainly, the United States cannot be complacent about its security. Iraq remains a threat to American interests in the Persian Gulf region. North Korea, strained by famine and heavily armed, could seek relief by renewing hostilities on the Korean Peninsula. China aims to be a military power in the decades ahead. Terrorism is a constant danger, and the need to send American troops abroad in peacekeeping roles is likely to grow. But no current or near-term peril comes anywhere close to the former Soviet threat.

The Pentagon is examining military requirements as part of its Quadrennial Defense Review, but do not expect much creative thinking from this exercise. The generals should be redesigning the American military to meet the threats of a new era, an exercise that might well slash budgets and discard the principle that America be able to fight two regional wars simultaneously.

That principle has justified an Army of 495,000 active-duty troops and a Navy with 12 aircraft carriers, just one less than the cold-war fleet. Scaling back to a more realistic one-war doctrine, plus sufficient air power to pin down an enemy elsewhere, would save $10 billion to $20 billion a year, even with more spending on stealth aircraft. Closing and consolidating bases and other support operations would produce additional savings.

Instead of looking seriously at these options, the generals are trying to determine how little they can cut within the Administration's five-year budget plan for the Pentagon. Under that plan, the budget would grow steadily, reaching $278 billion in 2002. It includes a whopping 40 percent increase in spending for new weapons.

It would be interesting to see where planning would lead if it were not governed by the Clinton Administration's escalating Pentagon budgets and the military's exaggerated threat assessments. It is not unreasonable to believe that American security can be adequately protected for considerably less than $240 billion a year.

INTRODUCTION OF THE COST OF HIGHER EDUCATION REVIEW ACT OF 1997

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. GOODLING. Mr. Speaker, I rise today in support of the Cost of Higher Education Review Act of 1997. Representative MCKEON and a bipartisan group of Members of this body have introduced this bill because we all share a common goal—we want college to be affordable for students and families across the country.

The current crisis in college affordability has been documented in various newsstories, as well as by the General Accounting Office in its report titled, ''Tuition Increasing Faster Than Household Income and Public Colleges' Costs.'' Among the facts and figures contained in the report is the simple reminder that paying for a college education is one of the most costly investments facing American families today.

Certainly, students and parents are well aware of this simple fact. At the field hearings held by the Subcommittee on Postsecondary Education, Training, and Life-Long Learning chaired by Representative MCKEON, one consistent theme from students and parents is the reality that paying for college is a huge financial burden, and for some, it is simply out of reach.

Recent reports indicate that colleges have begun moderating their tuition increases and I am encouraged that the current rate of increase in tuition and fees is a vast improvement over prior years. I am also encouraged by the individual efforts of some college presidents who are restructuring their campuses in order to become more efficient and less costly, and sharing resources in order to control costs. But I think more can be done. Annual tuition increases of 5 to 6 percent continue to exceed the CPI rate of inflation and I think students, families, and taxpayers deserve to see a greater effort on the part of colleges to reduce those tuition increases.

The Commission established by this bill will review the cost controlling practices currently employed on some college campuses, as well as the underlying factors which impact tuition prices. Their analysis and recommendations for actions on the part of colleges, the administration, and the Congress will be vital to our goal of keeping college affordable for all Americans.

I strongly urge my colleagues to join in support of this legislation.

CITIZENSHIP USA

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. PACKARD. Mr. Speaker, the Immigration and Naturalization Service [INS] has tested me time and again. Today, my patience has run out. My district in southern California has one of the largest concentrations of illegal aliens. INS claims to be working to remedy this problem. They are failing miserably.

This morning, I learned that the Citizenship USA Program, which is run by the INS, has failed to properly screen nearly 180,000 aliens. These aliens were hastily naturalized without adequate background checks. Many more submitted the fingerprints of another person to avoid triggering a hit by the FBI. How many criminals has the INS allowed to become U.S. citizens? How many criminal aliens are lurking in our neighborhoods and preying on our children?

Mr. Speaker, yesterday I helped introduce legislation drafted by my colleague ELTON GALLEGLY.This bill would expand a pilot program currently operating in Anaheim and Ventura County, CA, which requires a 24-hour presence of INS agents at local jails in 100 counties with the highest concentration of illegal aliens.

Currently, our local law enforcement officials do not have the power to deport these criminal illegal aliens. This bill will place the proper authorities in the hands of our communities in order to send these criminal illegal aliens back over the border for good. In addition, because those who committed crimes are more likely to break the law again, this bill will pick up those who slipped through the cracks of the Citizenship USA Program. It is my hope that the INS will now correct the wrongs they have committed against law-abiding U.S. citizens. The INS must take appropriate action to deport those who are found to have submitted falsified documents to gain U.S. citizenship. It is the right thing to do for the safety of our children and the security of our neighborhoods. We must rid our streets of these criminal aliens.

INTRODUCTION OF THE COST OF HIGHER EDUCATION REVIEW ACT OF 1997

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. MCKEON. Mr. Speaker, I rise today to introduce the Cost of Higher Education Review Act of 1997.

In today's technology and information based economy, getting a high quality postsecondary education is more important than ever. For many Americans, it is the key to the American dream. As Chairman of the Subcommittee with jurisdiction over Federal higher education policy, I am responsible for the programs which provide Federal help in getting this education. However, my interest in higher education goes well beyond the role I play as Chairman. I am a parent and a grandparent. I know students who are pursuing or will pursue a postsecondary education. I have constituents, students and parents, who are worried about their ability to afford a college education.

Historically, the cost of getting a postsecondary education has increased at a rate slightly above the cost of living. However, a recent GAO report tells us that over the last 15 years the price of attending a 4-year public college has increased 234 percent, while the median household income has risen by only 82 percent, and the CPI only 74 percent. A recent survey of college freshmen found that concern over college affordability is at a 30-year high. Parents and students across the country are understandably worried about the rising cost of a college education. In order to control the cost of obtaining a college education, parents, students, and policy makers must work together with colleges and universities to slow tuition inflation, or for many Americans, college will become unaffordable.

This is not to say that there are not affordable schools. There are still some affordable schools and there are college presidents who are committed to keeping costs low. There are schools that are trying very innovative things to reduce tuition prices.

However, the trend in college pricing is truly alarming. This trend is especially alarming in that it only seems to apply to higher education. There are many endeavors and many businesses that must keep pace with changing technologies and Federal regulations. However, in order to stay affordable to their customers and stay competitive in the market, they manage to hold cost increases to a reasonable level.

The legislation I am introducing today will establish a commission on the cost of higher

education. This commission will have a very short life-span. Over a 4 month period, the commission will study the reasons why tuitions have risen so quickly and dramatically, and report on what schools, the administration, and the Congress can do to stabilize or reduce tuitions.

There is a great deal of conflicting information floating around the country with respect to college costs. This commission will be comprised of seven individuals with experience and expertise in business and business cost reduction programs, economics, and education administration. Their job will be to analyze this information and give us a true picture of why costs continue to outpace inflation and what can be done to stop this trend.

Members of the commission will be appointed by the House and Senate leadership and the Secretary of Education. The commission will have 4 months to perform its duties. The commission will then sunset within 2 months of finishing its job. The cost for this commission will not exceed $650,000.

Mr. Speaker, this year we will be reauthorizing the Higher Education Act, which will provide $35 billion this year alone in Federal student financial aid. As we go through this process, our goals will be to:

Make higher education more affordable; Simplify the student aid system; and Stress academic quality.

In order to update and improve the Higher Education Act in a way that truly helps parents and students, a thorough understanding of tuition trends will be essential. The legislation I'm introducing today will give us that information, and shed light on a topic which is of the utmost concern to our constituents. I urge my colleagues to join me in this effort, and to cosponsor this important legislation.

THE MULTIFAMILY HOUSING REFORM AND AFFORDABILITY ACT OF 1997

HON. DEBORAH PRYCE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mrs. PRYCE of Ohio. Mr. Speaker, today I join my colleague from Virginia, Congressman MORAN, to introduce the Multifamily Housing Reform and Affordability Act of 1997.

Since the 1970's, section 8 rental assistance contracts have helped provide private, low cost housing to low income residents. Unfortunately, these contracts have begun to expire, and Congress must act now to ensure that federally-assisted housing will be available and affordable for our citizens with the greatest need.

The cost of renewing the section 8 contracts is skyrocketing; in fiscal year 1998 it will exceed $11 billion, or over one third of HUD's entire budget. The legislation that we are introducing brings section 8 spending under control while preserving this country's low income housing. This bill also sends the power to address this problem back to where it belongs—to the States and local communities directly affected by low income housing.

My own State of Ohio has the second highest number of expiring section 8 contracts in the Nation. Without reform of the program, thousands of Ohio residents and millions of people across the country face fear and uncertainty as their section 8 contracts begin to expire.

I look forward to working with my colleagues on both sides of the aisle to guarantee our citizens access to affordable housing.

INTRODUCTION OF THE MULTIFAMILY HOUSING REFORM AND AFFORDABILITY ACT

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 1, 1997

Mr. MORAN. Mr. Speaker, today, I along with my colleague DEBORAH PRYCE, are introducing legislation to address HUD's mark-to-market approach and portfolio restructuring of section 8 housing. For the past 2 years, Congress has been faced with the question of how to address the pending expiration of section 8 contracts on some 800,000 units of affordable housing nationwide. During this fiscal year and with greater frequency into the next century, affordable rental housing units assisted under the section 8 program are at risk.

Properties assisted under the section 8 program and the many thousands of families, seniors, and disabled who live in section 8 housing, are hurt by uncertainty about the future. They are all at risk because this program must be reformed in order to survive. From a cost standpoint, program accountability and program administration by HUD, section 8 has become a convenient political scapegoat.

We must acknowledge that there is some truth in the criticisms made about this program. I have joined with my colleagues in questioning the long-term cost-effectiveness of maintaining the current HUD section 8 program. I am concerned when I read public accounts that document the fact that rents on section 8 assisted rental housing units are far above what could reasonably be considered market rates. I am concerned when this Government provides billions of dollars of rental subsidies only to be made painfully aware of the neglect, and in some cases, outright fraud committed by owners and managers of such assisted housing units. I am also concerned when HUD representatives say they lack the capacity to administer this program effectively. As a former mayor, I wonder who at the local level will be the first to step forward to take HUD's place. In an age when we have begun to end welfare as we know it, I am also concerned how we can justify the provision of rental assistance to individuals who are allowed to hold on to such assistance for an indefinite period of time. At the same time, thousands wait years for a chance to receive assistance that is in short supply.

These concerns have been discussed at length in Congress. The problems and concerns we face in the long-term provision of affordable housing in this country are well documented. A shrinking HUD budget and the cost of renewing section 8 at current rents are on a collision course destined to lead us to drastic measures and hard choices. Within the next 5 years, contracts on more than 2.7 million units, more than 90 percent of the entire section 8 low-income housing stock, will expire. Estimates show that by the year 2002, the cost to renew all contracts under the current program will be between $17 and $20 billion annually: a cost equal to HUD's entire current budget. Faced with this reality, we have relied for 2 years on Band-aids of demonstration programs and 1-year appropriations.

While I congratulate and respect the work and creativity of my colleagues in the House and Senate who have faced this issue, I believe the time for temporary fixes has ended. We must act to define and enact responsible legislation of a permanent nature. We owe that to the residents of this housing, to the responsible owners and managers who care for it, to the financial institutions that have a stake in its financial future and to the American public who have invested hard-earned tax dollars to support its development and preservation since the mid-1970's.

The proposal we are introducing today builds on a proposal introduced late last session by Senator CONNIE MACK. The principle focus of both our bills is to reduce the cost of the section 8 program and provide the certainty of continued housing assistance for those in need. This legislation provides a way to address this matter responsibly. Our reform proposal reins in exorbitant rental contracts that can reach 180 percent of the fair market rent. Existing debts on all FHA-insured properties are restructured to lower operating and maintenance costs, and bring Federal rent subsidies down to local market levels. In return, owners of multifamily housing must agree to maintain the property for low-income tenants for at least another 20 years.

Owners who wish to renew their section 8 contracts without going through the restructuring process can do so as long as the current rents do not exceed 120 percent of the fair market rent. In light of HUD's diminishing administrative capacity and budget reductions, the responsibility for restructuring can be assumed by State housing finance agencies or State-qualified local agencies. Residents should be given opportunities to comment and participate in the program. Negligent owners, who have materially violated their regulatory agreements, would be barred from the new program and encouraged to sell the property to resident groups, nonprofits, or other entities willing to participate in the new program. I would also not rule out strengthening the bankruptcy laws to increase recovery from negligent owners and imposing tougher sanctions on owners who abuse the new program. These reforms have a potential to save the program by preserving a large share of the existing units, reducing the number of potential evictions, lowering the risk to the FHA insurance fund and saving precious tax dollars.

In closing I welcome the interest and support of all Members who believe, as I do, that this issue must be resolved promptly and responsibly. I believe that the action taken here today is a step to encourage a more detailed discussion and thorough debate on an issue we can no longer defer. I look forward to working with my colleagues on the Banking Committee as well as the Appropriations Committee, on which I serve, who will take the lead in reaching a fair and reasonable solution.