So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MAKING IN ORDER ON THURSDAY, JULY 30, 1998, CONSIDERATION OF HOUSE JOINT RESOLUTION 120, DISAPPROVING EXTENSION OF WAIVER AUTHORITY WITH RESPECT TO VIETNAM

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that it be in order at any time on the legislative day of Thursday, July 30, 1998, to consider in the House the joint resolution (H.J. Res. 120) disapproving the extension of the waiver of authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 1 hour equally divided and controlled by the chairman of the Committee on Ways and Means (in opposition to the joint resolution) and the gentlewoman from California (Ms. LOFGREN) or her designee in support of the joint resolution; that pursuant to sections 152 and 153 of the Trade Act, the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and that the provisions of sections 152 and 153 of the Trade Act of 1974 shall not otherwise apply to any joint resolution disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam for the remainder of the second session of the 105th Congress.

Mr. Speaker, it is the intention of this unanimous consent request that the majority manager in opposition to the joint resolution, who will probably be the gentleman from Illinois (Mr. CRANE), will yield half of his time to a majority Member in support of the joint resolution; that will be the gentleman from California (Mr. ROHRABACHER); and that the minority Member in support of the joint resolution, the gentlewoman from California (Ms. LOFGREN) on the Democrat side of the aisle yield half of her time to a minority Member in opposition to the joint resolution, and that will probably be the gentleman from California (Mr. MATSUI).

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

There was no objection.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the further consideration of the bill, H.R. 4194, and that I be permitted to include tables, charts and other extraneous material.

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

There was no objection.

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

The SPEAKER pro tempore. Pursuant to House Resolution 501 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4194.

□ 1320

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4194) 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, 1999, with Mr. COMBEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday July 23, 1998, the request for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. ROEMER) had been postponed and the bill was open from page 72, line 3, through page 72, line 16.

Are there further amendments to this portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SCIENCE, AERONAUTICS AND TECHNOLOGY

For necessary expenses, not otherwise provided for, in the conduct and support of science, aeronautics and technology research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation of real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,541,600,000, to remain available until September 30, 2000.

MISSION SUPPORT

For necessary expenses, not otherwise provided for, in carrying out mission support for human space flight programs and science, aeronautical, and technology programs, including research operations and support; space communications activities including operations, production and services; maintenance; construction of facilities including repair, rehabilitation, and modification of facilities, minor construction of new facilities and additions to existing facilities, facility planning and design, environmental compliance and restoration, and acquisition or condemnation of real property, as authorized by law; program management; personnel and related costs, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; travel expenses; purchase, lease, charter, maintenance, and operation of mission and administrative aircraft; not to exceed $35,000 for official reception and representation expenses; and purchase (not to exceed 33 for replacement only) and hire of passenger motor vehicles; $2,458,600,000, to remain available until September 30, 2000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, $19,000,000.

ADMINISTRATIVE PROVISIONS

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, when any activity has been initiated by the incurrence of obligations for construction of facilities as authorized by law, such amount available for such activity shall remain available until expended. This provision does not apply to the amounts appropriated in ''Mission support'' pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design.

Notwithstanding the limitation on the availability of funds appropriated for ''Human space flight'', ''Science, aeronautics and technology'', or ''Mission support'' by this appropriations Act, the amounts appropriated for construction of facilities shall remain available until September 30, 2001.

Notwithstanding the limitation on the availability of funds appropriated for ''Mission support'' and ''Office of Inspector General'', amounts made available by this Act for personnel and related costs and travel expenses of the National Aeronautics and Space Administration shall remain available until September 30, 1999 and may be used to enter into contracts for training, investigations, costs associated with personnel relocation, and for other services, to be provided during the next fiscal year.

NASA shall develop a revised appropriation structure for submission in the Fiscal Year 2000 budget request consisting of two basic appropriations (the Human Space Flight Appropriation and the Science, Aeronautics and Technology Appropriation) with a separate (third) appropriation for the Office of Inspector General. The appropriations shall each include the planned full costs (direct and indirect costs) of NASA's related activities and allow NASA to shift civil service salaries, benefits and support between and/or among appropriations or accounts, as required, for the safe, timely, and successful accomplishment of NASA missions.

None of the funds made available by this Act may be used for feasibility studies for, or construction or procurement of satellite hardware for, a mission to a region of space identified as an Earth LaGrange point, other than for the Solar and Heliospheric Observatory (SOHO), Advanced Composition Explorer (ACE), or Genesis mission. Such funds shall also not be used for the addition of an Earth-observing payload to any of the missions named in the preceding sentence.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1999, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions, as authorized by the National Credit Union Central Liquidity Facility Act

(12 U.S.C. 1795), shall not exceed $600,000,000: *Provided,* That administrative expenses of the Central Liquidity Facility in fiscal year 1999 shall not exceed $176,000: *Provided further,* That $2,000,000, together with amounts of principal and interest on loans repaid, to be available until expended, is available for loans to community development credit unions.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880–1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of aircraft; $2,745,000,000, of which not to exceed $244,960,000, shall remain available until expended for Polar research and operations support, and for reimbursement to other Federal agencies for operational and science support and logistical and other related activities for the United States Antarctic program; the balance to remain available until September 30, 2000: *Provided,* That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further,* That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally: *Provided further,* That none of the funds appropriated or otherwise made available to the National Science Foundation in this or any prior Act may be obligated or expended by the National Science Foundation to enter into or extend a grant, contract, or cooperative agreement for the support of administering the domain name and numbering system of the Internet after September 30, 1998.

AMENDMENT NO. 26 OFFERED BY MR. ROYCE

Mr. ROYCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 26 offered by Mr. ROYCE: page 76, line 24 strike ''2,745,000,000'' and insert ''2,545,700,000.''

Page 90, line 18 strike '', and $70,000,000 is appropriated to the National Science Foundation, 'Research and related activities'.'' and insert ''.''

Mr. ROYCE. Mr. Chairman, I rise in strong support of this amendment. It will merely freeze grant research funding at the same amount that was appropriated last year. There is no cut in the amendment. Our concern is with some of the grants; do we really think it is a good idea to take $176,000 from working families so that we can figure out the different meaning of smiles, and that was one of the grants.

Mr. Chairman, we have a responsibility to the American people to see that their tax money is being spent wisely. Asking them to dip just a little further into their pockets to pay $178,000 for a study on maintaining self-esteem does not fulfill that responsibility.

During debate on this bill last year, an amendment was adopted that struck $174,000 from the National Science Foundation because of previous inappropriate grant making. As I understand it, this was meant as a demonstration to NSF that they should take greater care of taxpayer money. Given some of the recent grants that it has doled out since that time, it seems that they have not taken heed of that action.

Another recent grant for $220,000 was handed over to a researcher for a study entitled ''Status Dominance and Motivational Effects on Nonverbal Sensitivity and Smiling.'' I will submit my finding for free. Spending that much hard-earned money on sensitivity and smiling will wipe the smiles off the taxpayers' faces and make them pretty darn insensitive.

Another researcher was given over $476,000 for his study. For this amount he would perform a manufacturing analysis of coffee makers related to the grammar rules and the grammar itself which will be implemented.

Now, as we go down these grants, one enterprising researcher has received over $29 million since 1992 in nine different grants. From all indications, the bureaucrats have been busy shoveling out the door in the name of science to make sure we do not slide back into the dark ages. For example, research into the sex selection and evolution of horns in the dung beetle, $331,000 for the study of nitrogen excretion in fish, $113,000 for research into the agenda effects on group decisions.

I could go on, but our current agenda calls for a group decision. Two hundred twenty-eight years ago, when the Founding Fathers gathered in Philadelphia, they did not declare our independence so that the new government could tax American citizens and hand out $25,000 to study microwave methods for lower fat patties in meatballs.

I urge my colleagues to support this amendment, Mr. Chairman.

Mr. BOEHLERT. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, the poet Alexander Pope remarked centuries ago that a little learning is a dangerous thing. This amendment is a good example of that principle.

First of all, the Dear Colleague letters about this amendment have cited several NSF project titles that have been grossly misinterpreted. For example, grants researching asynchronous transfer mode, which is a computer technology known as ATM, were misconstrued as research on automated teller machines. Grants concerning billiards were thought to be about the game of pool when actually they concern abstruse matters in high-energy physics. The only trouble we have right here in River City is with this amendment.

Mr. Chairman, this amendment is a product of faulty research.

Now I would never claim that the National Science Foundation has never given out a misguided grant or that their grants should not be opened to congressional scrutiny, but as the ranking Republican on the House Committee on Science I am quite familiar with NSF operations, and I have helped oversee them for 15 years. And I can attest that the National Science Foundation is a model agency that provides grants through a peer review process that is the envy of other institutions and other nations. As a result, the research it funds is of high quality and has provided enormous insights that have improved our understanding and our lives.

A little learning is a dangerous thing for a Nation as well as an individual, and NSF's work ensures that our Nation is never hobbled by inadequate learning.

Mr. Chairman, let us not make the mistake of judging a grant by its title. We should resoundingly vote down this amendment and demonstrate our continued support for the outstanding work performed by the National Science Foundation.

□ 1330

Mr. SANFORD. Mr. Chairman, I rise in support of this amendment because it is a very simple amendment. This amendment simply freezes the research and related categories funding area of NSF at about $2.5 billion. It freezes at this year's level of spending.

The reason that this amendment is offered by Mr. ROYCE and myself and the reason supported by the National Taxpayers Union, the reason supporting it by Citizens against Government Waste is because it makes common sense.

It, in the whole, boils down to one very simple thought, and that is the issue of priorities. When I stand in front of a grocery store back home in my district and talk to folks, they talk about how they have to set priorities within their homes.

When they are given the choice between, let us say, the study of people's reaction to dirty jokes, specifically to sex and fart jokes, and cancer or diabetes research, they say that a study of sex and fart jokes is interesting, but not vital, and that they would rather see those same dollars go into cancer research or diabetes research.

On that same vain, again, this is simply an amendment about priorities. Again, it leaves in place $2.5 billion for funding for the National Science Foundation research. It simply says let us put our house in order.

I mean, the same folks that I talked to back home, they say, if they had to set no priorities, when they walked into Wal-Mart, they would essentially walk out of Wal-Mart with everything that is in the store. But they cannot do that. They have to set a budget. They have to set numbers. They come up with what they can spend overall.

So this amendment is simply a way of signaling to the National Science Foundation please look at those things. Because the gentleman from

California (Mr. LEWIS) himself last year offered an amendment that said there was a grant that, as I understand it, would have studied, for about $174,000, why some people choose to run for office or choose not to run for office. Again, interesting but not vital.

I think that we ought to look more at what is vital when we fund these grants. I have other examples that have come up in this year's list. An example is $334,000 to develop methods for routing pickup and delivery vehicles in realtime. Again, that has something that is interesting, but not vital. The part that is vital is vital to the likes of UPS or FedEx. If that is at the case, why can UPS or FedEx not pay for them?

It has $14,000 to study the long-term profitability of automobile leasing. Interesting, but not vital. The part that is vital is vital to Budget or Hertz. Why can they not pay for it?

It has $12,000 to cheap talk. It has $137,000 to study how legislative leaders help shape their parties issues outside the legislature particularly in the media. Interesting, but not vital.

I could come up with others, but I think the main point is quite simple. That is that the National Science Foundation in funding research needs to look at two things: One, a clear criteria that answers the question for the taxpayer, is this interesting or is it vital? And that it answers the question of, is it worth the cost? Because you can simply turn on the Internet and see that there is all kinds of information out there. The question before us, though, is not, is there information, but is it vital information?

Mr. EHLERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to respond to the amendment and the comments just made. I would remind my colleague, the gentleman from South Carolina, that when his people come out of the store, my colleague might ask them what they think of the laser scanner that was used to get them out of the store more quickly and more efficiently, because development of the laser was financed in part by the National Science Foundation.

My colleague might ask, too, whether they enjoy the rapid delivery of their FedEx packages. Indeed, part of that research has been done by the National Science Foundation. My colleague suggested that FedEx should pay for it themselves, but, in fact, Federal Express developed into what it is today, because of the techniques resulting from such research, and the taxes that FedEx pays today far more than cover the cost of any research that was done which may have helped to develop the system.

My point is that the United States has a vibrant and booming economy today, especially compared to that of other nations, because we also have a booming and vital research enterprise in this Nation. There is a direct correlation between economic growth and the amount of money spent on research, and all of us should recognize that.

Let me also comment on a few other specifics because, as the gentleman from New York (Mr. BOEHLERT) said earlier, much of this debate arises out of a misunderstanding of the scientific terms used.

Some terms used in science which are similar to everyday language have totally different meanings when used scientifically. As an example, consider ''billiards'', which was referred to in one of the ''Dear Colleagues'' sent out by the sponsors of the amendment. Billiards we all understand is a game. But, in science, the word is used to describe a theory which originally was developed to explain the collisions and interaction between rigid objects, but today is used to describe collisions and trajectories of small objects, such as atoms, molecules and nuclei, within confined areas.

This is crucial to the study of air flow and turbulence around aircraft. In fact, a recent development was the discovery that ripples in the surface of an aircraft wing reduce turbulence substantially, resulting in fuel savings and cost savings.

It is interesting that you can now buy swimsuits that incorporate the same effect and will now allow for faster swimming in competition. That was not the intent of the research, but this is a by-product that is beneficial.

ATMs were criticized in one of the ''Dear Colleagues.'' As used in science, that does not refer to ''automated teller machines,'' where you withdraw money, but rather refers to ''asynchronous transfer modes,'' which is today the most modern and most rapid method of transmitting information over the Internet or between computers in general. This is very beneficial to society, and allows sending more information for less money.

That brings us into the next item of criticism: that NSF spent $12,887 to study cheap talk. That is not referring to what you might in common parlance think of as ''cheap talk,'' but rather refers to the cost of information transmitted over the Internet or used in commerce.

All of these are very beneficial grants. They have helped us. They have helped our economy and made us one of the strongest nations on this earth. It is hard to find a Federal agency that gives us as much for our money as the National Science Foundation, and it certainly does help our economy to a great extent. Therefore, Mr. Chairman, I strongly urge the defeat of this amendment.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

(Mr. BROWN of California asked and was given permission to revise and extend his remarks.)

Mr. BROWN of California. Mr. Chairman, I know that it is not necessary to extend this discussion and that the comments made by our distinguished colleagues, the gentleman from Michigan (Mr. EHLERS) as well as the gentleman from New York (Mr. BOEHLERT), probably adequately deal with this subject. But having risen to debate it many times over the last 20 years, I would feel remiss if I did not stand up and say a few words.

Let me identify myself with the remarks already made by my two distinguished colleagues. Let me point out that this simple innocuous amendment is approximately a 10 percent cut in the amount of money that would otherwise go to this fine agency and is much more important than might be thought.

Let me say that I appreciate the close scrutiny being given to the research done at the National Science Foundation. That close scrutiny is healthy. I would not want to have it discouraged. For one thing, it gives those of us in close touch with N.S.F. research an opportunity to praise the work being done. It encourages others to take a closer look at the work of the National Science Foundation and to see if they cannot come to appreciate the value of that work.

I remember when we first started debating this subject of research grant titles one popular target was a grant titled ''The sex life of the Screw worm'' a subject of great importance in Texas. Everybody thought they knew what sex life was about, and they could not understand why we needed to spend money researching it.

But, actually, as we pointed out many times, this innocuous piece of research has saved the cattle industry of Texas hundreds of times over what the cost of the actual research project was, because it involves the mode of reproduction of one of the pests that is of greatest importance to the Texas cattle industry, as I am sure the chairman of the committee well knows.

But this is merely one more example, to go along with the others that have already been mentioned, showing why one needs to look beyond the titles themselves to the content of the research in order to have some understanding of what its importance is.

Mr. Chairman, I urge all of the Members to follow the example of the author of this amendment and scrutinize these research projects very carefully. I think they will be highly enlightened if they do so, and will strongly oppose amendments such as the one before us.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. FOLEY. Mr. Chairman, let me just for a moment correct the record about the impression being left about the amendment of the gentleman from South Carolina (Mr. SANFORD). It was just described as a 10 percent cut.

It always amazes me in this city of Washington, freezing expenditures at

the current year's level is described as a cut. It was just mentioned we would see a 10 percent reduction in the amount of money spent on research. Correct the report. If the amendment of the gentleman from South Carolina (Mr. SANFORD) is adopted, the committee and the National Science Foundation will be able to spend exactly what they spend this year.

Most families in America have not been able to allocate a 10 percent additional expenditure for next year's vacation or for the next year's food supply or for school uniforms, simply because they cannot project those types of dollars forward because they have to live in reality, they have to live with today's dollars.

I agree with the gentleman from Michigan (Mr. EHLERS) that there are a number of important research projects that are done by the National Science Foundation, and I agree with him. I think we have developed some wonderful technology in this government through their efforts, and I generally support most of them.

What I am concerned about is its refusal to heed Congress' call to use better judgment in awarding grants even though we are proposing to increase its budget this year by $200 million.

One of my constituents, Bill Donnelly, recently contacted my office to complain that the National Science Foundation awarded a $107,000 grant to study dirty jokes. Although skeptical, I contacted the National Science Foundation for an explanation. To my dismay, not only did the National Science Foundation spend more than $100,000 to fund such a study but it attempted to justify the grant by saying that there is no accurate study as to why people laugh at certain offensive jokes.

Mr. BROWN of California. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, let me make clear tht I did not say that the gentleman's amendment was a 10 percent cut in the NSF Budget. I said that his amendment was a 10% cut in the amount of money that would otherwise go to this fine agency. His amendment is $270 million below what the committee recommends, or $305 million below what the administration requested. It is actually a reduction in the amount of growth that has been projected, as we both understand.

Mr. FOLEY. I thank the gentleman for the clarification.

Mr. Chairman, obviously, the National Science Foundation does not get it. The U.S. taxpayer should not be funding research that has dubious scientific merit, at best. This is why we should support the Sanford amendment. We need to send a strong message not only to the National Science Foundation, folks, this is not just about one agency. This is about every agency that determines how to use its Federal dollars.

Now, I got a very nice letter back from the Office of the Assistant Director for Social, Behavioral and Economic Sciences trying to justify that this was a very important study. I still would ask my colleagues to ask every American taxpayer at home, do they think we should spend $107,000 to find out why people laugh at dirty jokes? I would say no.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, both the gentleman from Ohio (Mr. STOKES) and I have prepared a very extensive response to this amendment but, frankly, because of the pressures of time and otherwise, let me suggest simply that the National Science Foundation is among the committee's and the Congress' very high priorities. We believe that the American government has played a very significant role in productive research efforts.

It is rather standard for critics of NSF often to pick a handful of examples of that which they would call excess, and usually those examples, while they have a title that can be used conveniently, do not reflect at all the specific project in terms of its detail.

These items funded by NSF come under very serious review. NSF relies on the judgment of over 60,000 independent reviewers, each of whom has expertise in his or her field. Depending on whether by mail or by panel reviews being used, each proposal is reviewed by an average of 4 to 11 experts and ranked on its scientific merit. As of this moment, approximately 1 in 3 proposals are eventually funded even though well over half are considered to have enough merit to deserve funding.

It is important for the Members to know that we support strongly this bill in its present form. It is very important that the Members oppose this amendment.

□ 1345

Mr. NEUMANN. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of this amendment. I came here 4 years ago. We were $5½ trillion in debt, $20,000 for every man, woman and child in the United States of America. When we got here, the deficit was over $200 billion a year.

We have come a long ways in this 3 years. We have gotten to a point where we are actually running surpluses for the first time since 1969. We saw a tax cut package passed last year for the first time in 16 years.

Then we get into the discussion about have we really done our job or do we have a long ways yet to go, and we start looking at lists of projects like some of these that are mentioned here and talking about 10 percent increases, and one almost gets this feeling, this tugging out here that, since now we are in surplus, we can start spending more of the taxpayers' money, and we had 10 percent increases in some areas.

The gentleman from South Carolina (Mr. SANFORD), my good friend, has proposed an amendment that does not decrease funding for this very important area but rather freezes it at last year's level. It simply brings it back into line.

Let us talk about some of the things that we have been funding and why it is that we would not want to see this kind of dramatic increase, much more of an increase than most of the households in my district are getting: Studying things like video on demand for popular videos; I am not sure that the people of Wisconsin would want to spend money on that study. Or why women smile more than men; I am not sure they would want to see money spent on that.

I am a former math teacher, and I taught everywhere from 7th grade on up through college courses. I find the study on the geometric applications to billiards to be of particular interest to me personally, because I was very interested in those sorts of things. And back in my math courses we did things like look at money growth and how it related to Social Security and how the interest rates impacted that. We did a lot of practical applications in our math courses, and this seems to be an area that a math professor from some place in the United States of America, or maybe a fine high school math teacher, or even a junior high math teacher might want to go out and start doing some of the studies that are involved with this.

But do I think I want to go into the households in Wisconsin's first district in Janesville, Wisconsin, or Kenosha or Racine and say to those families that we are going to take your tax dollars and use those tax dollars for purposes of doing a study on billiards? I do not so. I do not think that they would think that is a good use of tax dollars out here.

I think when we go through some of the rest of these we can see additional areas: Study cheap talk, $12,000 to study cheap talk. Long-term profitability of automobile leasing. This brings us to another area, long-term profitability of automobile leasing.

We are talking about corporations here, fine corporations that provide many jobs in the United States of America. The question that needs to be asked is, do we need the taxpayers' money to fund studies that are going to benefit these corporations?

I guess I keep coming back to the all-important question, and that question is, if I go to a family of five in my district that gets up every morning and goes to work and works hard and I ask them, do you want me to spend money on behalf of these automobile leasing organizations to find better ways and more efficient ways to lease cars, or do you think that that is a study that they should themselves initiate? Is it all right to take money out of your paycheck to pay for these sorts of things?

I keep coming back to the answer is no. The answer is just plain, flat-out no. We should not be spending money on some of these sorts of programs. And as important as research is in this country, we need to direct our research dollars to those areas that are going to benefit the Nation as a whole.

For that reason, I strongly support the Sanford amendment; and I would hope that my colleagues see the wisdom of going along with this sort of an amendment to this bill.

I would just like to commend the chairman on his hard work and the staff on their hard work on this bill because I think they have done a very, very fine job. There are some areas that perhaps some of our colleagues would disagree with, and this just happens to be one of them.

So I rise in strong support of the Sanford amendment.

Ms. STABENOW. Mr. Chairman, I move to strike the requisite number of words.

(Ms. STABENOW asked and was given permission to revise and extend her remarks.)

Ms. STABENOW. Mr. Chairman, I would like to thank the chairman and the ranking member of the subcommittee for their strong commitment to science, research and development in this country.

I rise today as someone representing middle Michigan where those middle-class families that have been discussed today are rising every day to go to work in jobs that have more and more technology involved in their employment. They rise to go to work in areas where they are dependent upon new research and developing technologies so that the jobs that they are working in are the best-paying jobs possible.

They care about the air and the water, and they want to make sure that we are doing everything we can to research ways to be able to clean up the air and the water and protect the environment through research areas that do not involve job loss but new technologies. They care very much about health research and the future for their children. They want us to be at the front end of the technology revolution that is happening all across the world.

In my opinion, there are two efforts critically important that we are engaged in nationally on behalf of Americans, and that is education and a focus on research and technology development for future jobs and future quality-of-life opportunities for our citizens.

The National Science Foundation is a small investment in a major effort to increase the quality of life for our citizens, and I would strongly urge a ''no'' vote on this amendment.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, Representative SANFORD has offered an amendment to freeze NSF's appropriations for research awards, giving as the reason NSF's support for questionable grant awards. He has referred to several grants which he claims supports his action.

Examination of the grants listed by Mr. SANFORD indicate his assessment of the contents is based on title alone:

ATM Research—This is not research on automated teller machines. Actually, it is research on Asynchronous Transfer Mode, a promising new network transmission protocol to enable the creation of very high speed computer networks.

Social Poker—This refers not to a poker game but to the development of a theory of how individuals determine which of their resources they are willing to put at risk in order to gain the benefits of joining a group. This is basic research that may help explain what it would take to get a country to sign on to a treaty, or when it is a rational decision for companies to merge.

Routing Trucks—This is an extension of what is known to mathematicians as the ''traveling salesman problem.'' This problem asks how to find the shortest possible route to a given number of cities without visiting one twice. The study in question develops and tests powerful new mathematical optimization algorithms.

This subject has considerable practical value. Transportation costs account for 15% of the U.s. Gross Domestic Product, and a major element of transportation involves the routing and scheduling of fleets of trucks.

Cheap Talk—Cheap talk refers to the cost of information in an economic model. Generally speaking, we must pay for information—in terms of procuring expert advice, the cost of publications or the time to gather data. The research explores the implications for economic and decision models when information is relatively inexpensive, such as that made available on the Internet.

Video on Demand—The underlying research issues are related to using network protocols to transmit real time video, which has enormous data transmission requirements. These fundamental questions require high-risk research that HBO or Blockbuster are not likely to support. But if the basic research is successful, service providers and consumers (including those who may use real-time video for distance learning or telemedicine) stand to reap huge returns from the investment.

Billiards—This research applies, not to pool playing, but to a complex mathematical theory of interest in geometry and physics. The scientific use of the term ''billiards'' originated over 100 years ago as a way of conceptualizing how atomic particles carom off each other. Mathematicians later on began to develop complex math theory, known as Ergodtic Theory, that attempts to predict the trajectory of idealized particles in confined spaces. This research is important for understanding many different types of non-linear or chaotic systems, such as airflow around an airplane, leading to an improved understanding of turbulence in fluids.

Study of Jokes—This research at its core is not about humor. Rather, it is involved with the reasons for the perpetuation of inaccurate stereotypes and the promulgation of racism, sexism, and prejudice against people with disabilities and other distinguishing characteristics. Humor is used in the study as a research tool to investigate the cognitive processes that accompany and determine the interpretation of information conveyed in a social context.

The proponent of the amendment has picked a handful of grants from the 10,000 or so that are funded each year by NSF and, on the basis of a title which is obscure or seems frivolous, proposes that the House freeze the research activities of the Foundation at last year's level.

This proposed amendment represents an effective cut of $270 million to the nation's basic research enterprise, which is largely carried out at colleges and universities throughout the country. It will result in 760 fewer research awards. It will mean NSF supports 5,000 fewer scientists and students.

The proposals funded by NSF have been subjected to a rigorous evaluation. They are chosen on the basis of merit through a competitive process: In a given year, NSF relies on the judgment of over 60,000 reviewers, each an expert in the field of a particular proposal. Each proposal is reviewed by between 4 and 11 experts, depending on whether a mail or panel review is used. The proposals are ranked on the basis of scientific merit, as well as on the broader impacts of the proposed activity. Only one in three proposals is funded, although more than half are rated as sufficiently meritorious to deserve to be funded.

The proposal selection process is rigorous, but not perfect. Efforts are made continually to improve the range of representation of reviewers and to sharpen the review criteria. But the system is widely respected by the scientific community, and constitutes the most effective method yet discovered to identify meritorious research proposals and to prioritize among worthy proposals.

The merit selection and prioritization process used by NSF has produced an academic research enterprise that is the envy of the world. The proposed amendment to freeze funding for NSF's research activities will result in harm to the nation's technological strength.

Investment in R&D is the single most important determinant of long-term economic growth. According to economists, about one half to two thirds of economic growth can be attributed to technological advances. Although difficult to measure, there is consensus that the economic payoff from basic research investments is substantial. The importance of basic research can be appreciated by considering the technological advancements that have grown out of past NSF-sponsored work:

Internet—Over the past decade, NSF has transformed the Internet from a tool used by a handful of researchers at DOD to the backbone of this Nation's university research infrastructure. Today the Internet is on the verge of becoming the Nation's commercial marketplace.

Nanotechnology and ''Thin Film''—50 years ago scientists developed the transistor and ushered in the information revolution. Today 3 million transistors can fit on a chip no larger than the fingernail-sized individual transistor. NSF's investment in nanotechnology & ''thin films'' are expected to generate a further 1,000 fold reduction in size for semiconductor devices with eventual cost-savings of a similar magnitude.

Genetics—What is often overlooked is the critical role played by NSF in supporting the basic research that leads to the breakthroughs of mapping the human genome for which NIH justly receives credit. Research supported by NSF was key to the development of the polymerase chain reaction and a great deal of the technology used for sequencing.

Magnetic Resonance Imaging—The development of this technology was made possible by combining information gained through the study of the spin characteristics of basic matter, research in mathematics, and high flux magnets. The Next Generation Nuclear Magnetic Resonance Imager, currently under construction, will allow for the identification of the 3-dimensional structures of the 100,000 proteins whose genes are being sequenced by the Human Genome Project.

Buckeyballs—The discovery of buckeyballs, a new form of carbon won for the researchers a Nobel prize. Its discovery was the result of work by astronomers. This in turn led to the discovery of the carbon nanotube, which has been found to be 100 times stronger than steel and a fraction of the weight. Nanotubes may produce cars weighing no more than 100 pounds.

Plant Genome—Research into the genome of a flower plant with no previous commercial value (Arabidopsis thaliana) led to the discovery of ways to increase crop yields, production of plants with seeds having lower polyunsaturated fats and to the development of crops that produce a biodegradable plastic.

Artificial Retina—Researchers at NC State have designed a computer chip that may pave the way for creation of an artificial retina. Problems with bio-compatibility have been solved by researchers at Stanford who developed a synthetic cell membrane that adheres to both living cells and silicon chips.

CD Players—CD players rely on data compression algorithms that were developed using a NSF grant. These algorithms were first used in the transmission of satellite data and now provide the foundation for new developments in data storage.

Jet Printers—The mathematical equations that describe the behavior of fluid under pressure provided the foundation for developing the ink jet printer.

Camcorders—Virtually all camcorders and electronic devices using electronic imaging sensors are based on charge-coupled devices. These devices, sensitive to a single photon of light, were developed and transformed by astronomers interested in maximizing their capacity for light gathering.

Ms. JACKSON-LEE of Texas. Mr. Chairman. I rise to speak against the Sanford amendment to reduce the National Science Foundation by $269 million.

The National Science Foundation (NSF) provides this Nation with the tools to remain a superpower in a world where technology remains supreme. It helps develop new technologies, not only on its own, but also through its partnerships with other government agencies, like NASA, and with private institutions.

The NSF is largely responsible for many of the scientific breakthroughs that we currently enjoy in this country. In fact, many of our more important scientific achievements started either with an experiment in a NSF lab, or with a NSF grant to a university or private corporation.

We cannot expect our chldren to be prepared for the next millennium if they do not have the right equipment to learn on. Ladies and gentlemen, trying to teach children computer science without the benefit of a computer is like trying to teach English to children without books—utterly impossible.

We must do our part to ensure that our children have the opportunity to learn, especially in the areas of math in science. This year in the House Science Committee, we have heard a myriad of testimony during hearings regarding the under-education of our youth in the hard sciences. It has gotten to the point that the media fails to report scientific breakthroughs, not because of lack of public interest, but often because they do not feel that the general public will understand the scientific achievement and what it means to them. That is shameful. If this Nation intends to remain a world leader, we must do our part to educate our children in the ways of the future.

Here in Congress, we have worked long and hard to rectify this problem. We have sought to increase funding for education. We have tried to provide targeted discounts to schools and libraries so that they can get on the Internet. Those initiatives are controversial, but this provision is not. Its costs are low, and its benefits high.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

The amendment was rejected.

The CHAIRMAN. Are there further amendments to this portion of the bill?

The Clerk will read.

The Clerk read as follows:

MAJOR RESEARCH EQUIPMENT

For necessary expenses of major construction projects pursuant to the National Science Foundation Act of 1950, as amended, $90,000,000, to remain available until expended.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do so for the purposes of having a brief colloquy with the chairman of the subcommittee with regard to an item of funding in the National Science Foundation. I understand that the chairman is aware of the important work done by the RAND Corporation's Radius program, which was established at the direction of the White House Office of Science and Technology Policy. This program provides a unique asset for tracking all Federal spending on R&D and should prove a very useful tool to those of us in Congress who are looking for ways to do more with the limited dollars we have.

In past years, the Federal share of funding for Radius has come from the National Science Foundation. It is my understanding that the Chair would support NSF's providing $1.5 million in funding for Radius services during fiscal year 1999. Is that correct?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BROWN of California. I yield to the gentleman from California.

Mr. LEWIS of California. Yes, Mr. Chairman, my colleague is correct. I am familiar with the Radius program, and I am very impressed by this unique tool. I believe it is in the best interest of the Federal Government to continue to support the further development of Radius and would look favorably upon NSF providing $1.5 million in fiscal year 1999 towards that end. I will work in the conference to include the language that makes this clear.

Mr. BROWN of California. Mr. Chairman, as usual, I want to thank my friend for his kind words and his support for this program.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EDUCATION AND HUMAN RESOURCES

For necessary expenses in carrying out science and engineering education and human resources programs and activities pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, $642,500,000, to remain available until September 30, 2000: *Provided,* That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

SALARIES AND EXPENSES

For salaries and expenses necessary in carrying out the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861–1875); services authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $9,000 for official reception and representation expenses; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; rental of conference rooms in the District of Columbia; reimbursement of the General Services Administration for security guard services; $144,000,000: *Provided,* That contracts may be entered into under ''Salaries and expenses'' in fiscal year 1999 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General as authorized by the Inspector General Act of 1978, as amended, $5,200,000, to remain available until September 30, 2000.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101–8107), $90,000,000, of which $25,000,000 shall be for a pilot homeownership initiative, including an evaluation by an independent third party to determine its effectiveness.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by 5 U.S.C. 4101–4118 for civilian employees; and not to exceed $1,000 for official reception and representation expenses; $24,176,000: *Provided,* That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further,* That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

TITLE IV—GENERAL PROVISIONS

SEC. 401. Where appropriations in titles I, II, and III of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefore in the budget estimates submitted for the appropriations:

Provided, That this provision does not apply to accounts that do not contain an object classification for travel: *Provided further*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Robert T. Stafford Disaster Relief and Emergency Assistance Act; to travel performed by the Offices of Inspector General in connection with audits and investigations; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I, II, and III exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefore set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal Home Loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811–1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between their domicile and their place of employment, with the exception of any officer or employee authorized such transportation under 31 U.S.C. 1344 or 5 U.S.C. 7905.

SEC. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specifically solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

SEC. 408. None of the funds in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law.

SEC. 409. None of the funds provided in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

SEC. 410. Except as otherwise provided under existing law, or under an existing Executive Order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

SEC. 411. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

SEC. 412. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

SEC. 413. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

SEC. 414. None of the funds appropriated in title I of this Act shall be used to enter into any new lease of real property if the estimated annual rental is more than $300,000 unless the Secretary submits, in writing, a report to the Committees on Appropriations of the Congress and a period of 30 days has expired following the date on which the report is received by the Committees on Appropriations.

SEC. 415. (a) It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 416. None of the funds appropriated in this Act may be used to implement any cap on reimbursements to grantees for indirect costs, except as published in Office of Management and Budget Circular A–21.

SEC. 417. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 418. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 419. Corporations and agencies of the Department of Housing and Urban Development which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1999 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

SEC. 420. Notwithstanding section 320(g) of the Federal Water Pollution Control Act (33 U.S.C. 1330(g)), funds made available pursuant to authorization under such section for fiscal year 1999 and prior fiscal years may be used for implementing comprehensive conservation and management plans.

SEC. 421. Notwithstanding any other provision of law, the term ''qualified student loan'' with respect to national service education awards shall mean any loan made directly to a student by the Alaska Commission on Postsecondary Education, in addition to other meanings under section 148(b)(7) of the National and Community Service Act.

SEC. 422. Notwithstanding any other law, funds made available by this or any other Act to the Environmental Protection Agency, the National Science Foundation, or the National Aeronautics and Space Administration for the United States/Mexico Foundation for Science may be used for the endowment of such Foundation.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that title IV, sections 401 through 422 on page 88, line 15, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. COBURN. Yes, Mr. Chairman, I do object.

The CHAIRMAN. Objection is heard.

The Clerk will read.

The Clerk continued to read.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that title IV, sections 401 through 422 on page 88, line 15, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there amendments to that portion of the bill?

If not, the Clerk will read.

The Clerk read as follows:

SEC. 423. (a) Not later than 90 days after the date of the enactment of this Act, the Consumer Product Safety Commission shall propose for comment and, not later than 270 days after the date of the enactment of this Act, issue a final rule amending its Flammable Fabrics Act standards to revoke the amendments to the standards for the flammability of children's sleepwear sizes 0 through 6X (contained in regulations published at 16 CFR part 1615) and 7 through 14 (contained in regulations published at 16 CFR part 1616) issued by the Commission on September 9, 1996 (61 FR 47634).

(b) None of the following shall apply with respect to the promulgation of the amendment prescribed by subsection (a):

(1) The Consumer Product Safety Act (15 U.S.C. 2051 et seq.).

(2) The Flammable Fabrics Act (15 U.S.C. 1191 et seq.).

(3) Chapter 6 of title 5, United States Code.

(4) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(5) The Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104–121).

(6) Any other statute or Executive order.

(c) Sleepwear manufactured or imported before the effective date (as established by the Commission) of the Consumer Product Safety Commission's revocation required by subsection (a) shall not be considered in violation of the Flammable Fabrics Act if it complied with the Commission rules in effect at the time it was manufactured or imported.

POINT OF ORDER

Mr. BONILLA. Mr. Chairman, I make the point of order that the provisions of section 423 constitute legislation in an appropriation bill in violation of clause 2 of rule XXI. Clause 2 of rule XXI provides that no amendment to a general appropriations bill shall be in order if changing existing law. The provision contained in section 423 is clearly a change in existing law and is, therefore, in violation of clause 2 of rule XXI.

The CHAIRMAN. Are there Members wishing to be heard on the point of order?

If not, the Chair is prepared to rule.

The Chair finds that section 423 of the bill imparts direction to the Consumer Product Safety Commission and expressly supersedes the applicability of a range of existing laws.

The Chair therefore holds that section 423 constitutes legislation in violation of clause 2(b) of rule XXI.

The point of order is sustained, and section 423 is stricken from the bill.

The Clerk will read.

The Clerk read as follows:

SEC. 424. (a) Subparagraph (A) of section 203(b)(2) of the National Housing Act (12 U.S.C. 1709(b)(2)(A)) is amended by striking clause (ii) and all that follows through the end of the subparagraph and inserting the following:

''(ii) 87 percent of the dollar amount limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size; except that the dollar amount limitation in effect for any area under this subparagraph may not be less than 48 percent of the dollar limitation determined under section 305(a)(2) of the Federal Home Loan Mortgage Corporation Act for a residence of the applicable size; and'',

and, in addition to the amounts appropriated in other parts of this Act, $10,000,000 is appropriated to the Department of Veterans Affairs, ''Medical and prosthetic research'', and $70,000,000 is appropriated to the National Science Foundation, ''Research and related activities''.

(b) The first sentence in the matter following section 203(b)(2)(B)(iii) of the National Housing Act (12 U.S.C. 1709(b)(2)(B)(iii) is amended to read as follows: ''For purposes of the preceding sentence, the term 'area' means a metropolitan statistical area as established by the Office of Management and Budget; and the median 1-family house price for an area shall be equal to the median 1-family house price of the county within the area that has the highest such median price.''.

SEC. 425. (a) The Consumer Product Safety Commission shall contract with the National Institute on Environmental Health Sciences (NIEHS) to conduct a thorough study of the toxicity of all the flame retardant chemicals identified by the Commission as likely candidates for addition to residential upholstered furniture for the purpose of meeting regulations proposed by the Commission for flame-resistance of residential upholstered furniture. Where NIEHS has existing adequate information regarding the chemicals identified by the Commission, such information can be transmitted to the Commission in lieu of an additional study on those chemicals.

(b) The Commission shall establish a Chronic Hazard Advisory Panel, according to the provisions of section 28 of the Consumer Product Safety Act (15 U.S.C. 2077), convened for the purpose of advising the Commission on the potential health effects and hazards, including carcinogenicity, neurotoxicity, mutagenicity, and other chronic and acute effects on consumers exposed to fabrics intended to be used in residential upholstered furniture which would be chemically treated to meet the Commission's proposed flame-resistant standards. In lieu of the requirements of section 31(b)(2)(B) of such Act (15 U.S.C. 2080(b)(2)(B)), the Panel may meet for up to one year.

(c) The Chronic Hazard Panel convened by the Commission under subsection (b) for purposes of advising the Commission concerning the chronic hazards of flame-retardant chemicals in residential upholstered furniture shall complete its work and furnish its report to the Commission not later than one year after the date of the establishment of the Panel, except that if the Panel finds that it is unable to complete its work adequately within the one year after this establishment, it shall—

(1) advise the Commission that it will be unable to complete its work within one year;

(2) furnish the Commission with an interim report at the expiration of such year discussing its findings to date; and

(3) provide the Commission with an estimated date on which it will complete its work and submit a final report to the Commission.

(d) The Commission shall furnish the interim report, and the estimated date on which the Panel will complete its final report, to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations. The Commission shall furnish the final report to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations.

(e) No additional funds shall be expended by the Commission on developing flammability standards for residential upholstered furniture until 3 months after the Commission has furnished either the interim report or the final report of the Panel to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations.

(f) The Commission, before promulgating any final rule setting flammability standards for residential upholstered furniture shall report to the House Committee on Commerce, the Senate Committee on Commerce, Science, and Transportation, the House Committee on Appropriations and Senate Committee on Appropriations on the report of the Panel, and the anticipated costs of the flammability standards regulation, including costs resulting from—

(1) public exposure to flame-retardant chemicals in residential upholstered furniture;

(2) exposure of workers to flame-retardant chemicals in the manufacture, distribution and sale of textiles and residential upholstered furniture;

(3) the generating, tracking, and disposing of flame-retardant chemicals and hazardous wastes generated from the handling of flame-retardant chemicals used on textiles and residential upholstered furniture; and

(4) limited availability in particular geographic regions of competing flame-resistant chemicals approved for use for residential upholstered furniture.

(g) In addition to amounts appropriated elsewhere in this Act, there is appropriated to the Consumer Product Safety Commission $5,000,000 to carry out this section.

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBEY:

At the end of the bill, insert the following new section:

SEC. . The amount otherwise provided by this Act for the Department of Veterans Affairs—Veterans Health Administration, Medical care, equipment and land and structures object classifications, is hereby reduced by $69,000,000.

Mr. OBEY. Mr. Chairman, I would like to explain this amendment, because it is not apparent on its face what it does.

Without reading the rest of the bill, although it appears to be reducing funds for veterans' medical care, it, in reality, does just the opposite. Reducing the amount available for equipment and land and structures by $69 million in budget authority provides, in reality, $53 million more for actual spending in outlays for veterans' health care, and I would like to explain to the House why.

For the past few years, the administration and the Congress have been engaged in a budgetary slight of hand to

try to make dwindling resources stretch further. The device is called the delayed equipment obligation. The gimmick is to provide several hundred million dollars for the equipment needs of the VA health care system and then to prohibit the VA from actually using those funds until very late in the fiscal year, thus temporarily saving outlays.

Last year, $570 million was provided for equipment with the obligations delayed until August. This year's budget level requires even grander thinking. The administration proposed to delay the obligation of $635 million for equipment, land and structures; and faced with an extremely tight budget allocation, the Committee on Appropriations recommended that $846 million for equipment be delayed for obligation until next August.

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The impact of increasing the amount of delayed equipment obligation by more than $200 million above the request is to actually reduce the basic medical care amount to a level $276 million below the 1998 program.

This is simply unacceptable, in the view of many veterans' organizations. To the extent possible, while remaining within budget totals, my amendment seeks to adjust that imbalance. It reduces the delayed equipment obligation by $69 million in Budget Authority and increases the basic medical care activity by a similar amount.

The effect is to make funds available at the start of the fiscal year for hands-on health care delivered to veterans. To do this results in $53 million more in that spending during the year, according to the CBO. That is the amount of outlays that currently are available and unused, left on the table, as it were, in this bill.

For those concerned about the size of the VA's medical equipment backlog, Mr. Chairman, let me say that my amendment still provides $775 million for such requirements. That is $205 million above the 1998 level, $140 million above the Administration's 1999 request, and $88 million above the Senate's recommendation.

Because it results in more hands-on veterans medical care, earlier this year veterans groups supported my amendment. Here I have a letter from the Paralyzed Veterans Association, another from the Blinded Veterans Association, and another from the Disabled American Veterans, all indicating support for this amendment, and other letters will be forthcoming.

To summarize, this is a simple amendment. It does not hurt any program. It takes the outlays that are left on the table. There is no offset required to accelerate spending for veterans' health. Reduced equipment obligations by $69 million actually increases hands-on medical care by the same amount. That is what the veterans want. That is what the veterans organization groups feel they need. That is what this House ought to do.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. LEWIS of California. We have had a chance to review the the gentleman's amendment. We appreciate the the gentleman's assistance to the committee, and we accept the amendment, Mr. Chairman.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, we accept the amendment.

Mr. OBEY. Mr. Chairman, I thank the chairman and ranking member.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. OBEY).

The amendment was agreed to.

Ms. STABENOW. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to engage in a colloquy with the distinguished gentleman from California (Mr. LEWIS), chairman of the Subcommittee for the VA, HUD and Independent Agencies of the Committee on Appropriations.

I want to thank the chairman for providing an increase in funding for NASA's academic programs. Inspiring our youth, our youth's teachers, and the general public is absolutely essential to sustaining our Nation's edge in research and development in space exploration.

I applaud the subcommittee's funding equipment. However, I am concerned about the House mark that does not provide an increase in funding for an academic program that literally has touched millions of people's lives. As Members know, one of the most effective academic programs launched by NASA is the National Space Grant College and Fellowship program, with over 586 member universities and institutions in every State.

I would ask that the Chair adopt the Senate budget mark of $23.5 million for the National Space Grant College and Fellowship Program when the VA, HUD and Independent Agencies appropriations goes to conference.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Ms. STABENOW. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I thank the gentlewoman from Michigan for bringing this issue to our attention. As a distinguished member of the Committee on Science, I appreciate the gentlewoman's commitment to research and development, as well as to education.

I agree with the gentlewoman that the National Space Grant College and Fellowship Program is a worthwhile program that deserves additional funding, and I want to assure the gentlewoman that I will take the advice of the gentlewoman and give serious consideration to it during the conference negotiations.

Ms. STABENOW. Mr. Chairman, I would like to thank the gentleman from California for all of his hard work on this appropriations bill. I am encouraged by his words to look closely at the Senate mark of $23.5 million for the National Space Grant College and Fellowship Program.

Let me also say that I appreciate the gentleman's willingness to work with me and all of the other Members of Congress who feel strongly about this program, and I look forward to a positive outcome.

Mr. LEWIS of California. Mr. Chairman, let me thank the gentlewoman from Michigan (Ms. STABENOW) for her kinds words. I look forward to resolving the issue as we go forward to the conference.

AMENDMENT OFFERED BY MS. DELAURO

Ms. DELAURO. Mr. Chairman, I offer an amendment.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. A point of order has been reserved.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Ms. DELAURO:

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

None of the funds made available under this Act may be used to develop and enforce the standard for the flammability of children's sleepware sizes 0 through 6X (contained in regulations published at 16 CFR part 1615) and sizes 7 through 14 (contained in regulations published at 16 CFR part 1616) as the standard was amended effective January 1, 1997.

Ms. DELAURO. Mr. Chairman, this is an amendment which will protect America's children from burn injuries and from death. I feel confident that every Member of this body will support it.

This amendment would prohibit the Consumer Product Safety Commission from using any of its resources to promulgate or implement weakened fire and safety standards for children's sleepwear.

For more than two decades children's sleepwear was held to a more stringent standard of fire safety than any other type of clothing. Kids' pajamas needed to self-extinguish after exposure to a small open flame. Manufacturers were required to test every part of the garment's fabrics, seams, and the trim, to ensure that it met this high standard of safety. Why this strict standard of safety? Because Americans understood the importance of protecting their children from the horrific burns that can come from a fire accident.

I saw a demonstration of in my home State of Connecticut of just how fast a pair of pajamas that are not treated to reduce flammability can go up in flames. It was horrifying and it was frightening. The strict standard of fire safety worked. Fire burns and deaths relating to children's sleepwear went down to nearly zero. In fact, the National Fire Protection Agency estimates that without this safety standard, there would have been ten times as

many deaths associated with children's sleepwear. The standard also brought about a substantial decrease in the number of burn injuries.

That is why I was shocked to learn that the Consumer Product Safety Commission, an agency for which I have the utmost respect, had voted to turn its back on that successful record and to weaken the fire safety standards for children's sleepwear.

The current standards allow all sleepwear for infants nine months or younger and tightfitting sleepwear in children's sizes up to 14 to be exempt from flammability standards so that they can be made from untreated cotton and cotton blends. These types of clothes can easily ignite from a stove or other types of flames.

Tight-fitting clothes made with flame resistent material are the safest choice for children. Nonflame-resistent materials like untreated cotton and cotton blends ignite at a lower temperature than fabrics such as polyester. The flames spread rapidly, and they tend to spread up towards the child's face.

The reasoning behind the new rules is that if a garment is tight, it is more difficult for flames to spread. Parents do not buy clothes that are tight. We have all bought clothes for new babies. We buy them for our kids and we buy them for our friend's kids, and they look beautiful. They are very, very pretty. We think how cute it is, and we buy clothes that are big so a child grows into them.

But the combination of nonflame resistance and large sizes is lethal to our kids. It is important to note that the chair of the Consumer Product Safety Commission voted against changing the standards, and she said, ''Available injury and death data demonstrates to me that the sleepwear standards are working. I am unable to agree to an exemption that could leave these infants more vulnerable to injury or to death.''

I have been working with the gentleman from New Jersey (Mr. ROB ANDREWS) and the gentleman from Pennsylvania (Mr. CURT WELDON), two of this body's most eminent experts on fire safety, to reinstate the original fair safety standards to protect our children from burns and from death. We are backed by a large coalition of fire safety organizations, medical organizations, public health groups, who are dedicated to protecting our children and reinstating this standard.

Let me just quote from one member of that coalition, Andrew McGuire, executive director of the Trauma Foundation at San Francisco General Hospital, who was burned when his pajamas caught fire in 1952, on his 7th birthday. He was instrumental in lobbying for the passage of the original standard.

This is what he says, that the children's sleepwear fire safety standard has been ''a truly successful 'vaccine' that has protected thousands of children from serious burns over the past 25 years. No one in America would consider reducing the use of the vaccine for polio. Why would the CPSC relax such a life-saving vaccine for burns?''

Andrew McGuire is right, we do not want to wait for the number of fire burns and deaths to rise before we take action to protect our children. One death is too many. One child living with a disfigurement left from a burn is too many. This is a life or death issue for our children.

This is a bipartisan effort. We have the responsibility to protect our children's health and safety. It does not belong to one party or another. We all hold that responsibility. I urge my colleagues to stand behind our Nation's children and support this amendment.

The CHAIRMAN. Does the gentleman from California (Mr. LEWIS) continue to reserve the point of order?

Mr. LEWIS of California. Mr. Chairman, Yes, I do.

Mrs. LOWEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I just came down to talk on another amendment, which I believe will follow this amendment.

I just want to say to my colleagues that I rise in strong support of the amendment of the gentlewoman from Connecticut. As a mother, as as a grandmother, it is shocking to me that these laws that were put in place to protect our youth, our infants, would be weakened.

I just appeal to the House to support my colleague from Connecticut, because when we have a chance to save lives, it seems to me we should do everything we can to do so. So I strongly support the gentlewoman from Connecticut's amendment. I thank her for introducing it.

Mr. ANDREWS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong support of the amendment. The amendment proposed by my friend, the gentlewoman from Connecticut (Ms. DELAURO), and the coauthor of legislation, along with the gentleman from Pennsylvania (Mr. WELDON) and myself, would have restored the sleepwear safety standard that worked so very well for 24 years.

I want to take a moment and talk about why this is important, and how we got to this point. It is important, Mr. Chairman, for a very simple reason. When people go into the store and they look to buy sleepwear for their children, there are basically two kinds of sleepwear. There is sleepwear that will catch on fire and burn in an instant, that is not treated for flammability, and then there is sleepwear that will not catch on fire and it will burn much more slowly, because it is treated for flammability.

For 24 years, the law of this country recognized that distinction. If we went in and bought sleepwear for our children that was treated for flammability, we knew it, because there was a label there. If it were not treated for flammability, we knew that, because there was no label. Parents and others buying for their children could be intelligent consumers and safeguard their children.

If we listened to the testimony of emergency room nurses, emergency room doctors, firefighters, burn center personnel, lots of nonpolitical people who deal with burned children, they would have told us that this law made sense. If it is not broke, do not fix it.

In 1996, for reasons that are inexplicable, the Consumer Product Safety Commission decided to change this law and take the warning labels off flammable sleepwear. The gentlewoman from Connecticut (Ms. DELAURO) and the gentleman from Pennsylvania (Mr. WELDON) and I introduced a bill to say let us go back to a standard that worked for 24 years, and let us get it done through this legislation.

Through the cooperation and farsightedness of the chairman of the subcommittee of this bill today, we were given that opportunity. We appreciate it very much, and thank him for his cooperation.

When this bill was brought to the floor, the rule was written in such a way that any one Member, one Member, could stand up and have this provision stripped from the bill without a vote. That just happened a few minutes ago.

The gentlewoman from Connecticut (Ms. DELAURO) has now done the next best thing. She has said, if we cannot get the old standard back, let us enjoin the use of the new one, which emergency room doctors, emergency room nurses, and other personnel in the fire service around this country say do not work.

What we really should be doing here, Mr. Chairman, is having a fair debate and an up-or-down vote on the real, underlying bill, which says let us put the standard that worked for 24 years back in. We were not getting that. But this is the next best thing.

On behalf of children across this country, consumers across this country, emergency room nurses, burn center personnel, and on behalf of Republicans and Democrats in this institution, I would implore and urge my colleagues to vote yes on the DeLauro amendment.

Mr. LEWIS of California. Mr. Chairman, while we are not the authorizing committee, I no longer reserve a point of order on the amendment.

Mr. BONILLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to make it clear that, to those of who have raised questions about such an effort through this amendment, and I have a 9-year-old boy and a 13-year-old girl, and I know my colleague, the gentleman from Texas (Mr. THORNBERRY), has young children as well, this is not a question of being concerned about children. It is about doing the right thing and using the right vehicle to accomplish it.

□ 1415

There is not a person in here who is going to stand up and ever object to us doing everything we possibly can to protect our children from any kind of injury or any kind of accident. But the initial effort to try to write law in this bill was deemed inappropriate earlier through a parliamentary ruling because we really had not had a chance to talk about this and figure out what the facts are.

I have a letter in my possession dated July 8 of this year from the U.S. Consumer Product Safety Commission that clearly States an opposition by commissioner Ann Brown who clearly states that the current rules, as they have been changed, should remain and we should not do anything to go back to the way they were before.

There have been no burn injuries associated with any snug-fitting garments that we are aware of. Certainly, accidents occur out there and we are not sure of what the causes are in each particular case. But I think that in light of the fact that we have not had hearings on this. I might support this if we had the appropriate hearings and used the appropriate vehicle.

But it is like trying to use one of those new Volkswagen beetles to haul a giant cabinet down the highway. It is just the wrong vehicle to use to accomplish a goal.

So I would strongly urge my colleagues to let us go through the process and not rush an amendment that Members have not even had a chance to look at. It was presented within the last 15 to 20 minutes and we have just barely gotten around to figuring out what it says exactly. It is the wrong way to write Federal law.

We always know that when the Federal Government tries to legislate quickly without really thinking things through, we wind up messing the problem up worse than it was when we started out. That is my concern.

Mr. Chairman, I emphasize that none of us in this body with young children, as I have and the gentleman from Texas (Mr. THORNBERRY) has, would do anything to risk the safety of a child in this country. Our only concern is that we want to do the right thing for the kids and for everyone involved in this issue.

Mr. THORNBERRY. Mr. Chairman, will the gentleman yield?

Mr. BONILLA. I yield to the gentleman from Texas.

Mr. THORNBERRY. Mr. Chairman, I want to support what my colleague is saying with two additional concerns. Number one is the effect of this provision overrides the judgment of the Consumer Product Safety Commission, not something necessarily that we should do lightly. And I do not think anyone should accuse them of wanting to lower safety standards for children.

Secondly, it is a far more complicated question than a simple speech on the floor can indicate. For example, those of us with small children know that when it comes to bedtime, normally what a lot of children sleep in are big, bulky cotton T-shirts. They like the feel of cotton, but that big bulk presents some dangers to them.

That was one of the concerns that has motivated the Consumer Product Safety Commission to take another look at these standards. If people are going to want to put cotton on their children to have a tighter fitting garment, which is part of where this arises.

So I want to share the concern of the gentleman from Texas (Mr. BONILLA). This is not as simple as some would have us believe. And I hope as this thing moves forward through the legislative process, we can take a more careful look at it to truly make children safer because that has got to be the goal for all of us.

Mr. BONILLA. Mr. Chairman, reclaiming my time, I appreciate the comments of the gentleman from Texas (Mr. THORNBERRY). I would also concur; my kids sleep in those baggy T-shirts as well.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to rise in favor of this amendment.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, I thank the gentleman from New York (Mr. HINCHEY) for yielding me this time.

Mr. Chairman, I think it is interesting to note that we just passed a major health reform bill in this body, managed care reform. The single biggest issue on the minds of the American people in this country and we did it without a hearing. Without one single hearing. The majority party would not allow any hearings on a major health care reform bill in this body.

This is an issue that has nothing to do with the issue of whether or not we have hearings. I will tell my colleagues what it has to do with, and I will quote, not my comments, but I will quote from Molly Ivins on June 27. This is a quote about the gentleman from Texas (Mr. BONILLA):

''Bonilla will move to strike DeLauro's amendment today. He told The Washington Post last week, 'I don't have a huge cotton constituency in my district, but my State does,' and added that the Texas drought has already taken a toll on cotton farmers. 'They came to me and explained this would place severe restrictions on what they could produce.'

''Excuse me—did I just hear someone say that we could bail out the cotton farmers by letting more little kids get burned to death every year?''

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Chairman, I want to set the record straight on the position of Ann Brown, who was the chairperson of the Consumer Product Safety Commission at the time the rule change was done.

I have in my possession, and I will submit it at the appropriate time for the RECORD a letter from Ann Brown to my the gentlewoman from Connecticut, April 10, 1998, in which she says the following. It is addressed to the gentlewoman from Connecticut (Ms. DELAURO):

''As you know, I share your views.'' The letter goes on to say, ''in these circumstances, it appears the only remedy is legislative action to restore the previous rule.'' The previous rule, referring to the one that was in effect for 24 years. So, Ms. Brown's position is in support of our effort.

The second thing I would like to say is it is extraordinary, this commitment to regular order and procedure. This is the same bill that is rewriting the entire public housing policy of the United States of America through legislating on an appropriations bill. I would invite my colleagues who are so enraged by this departure from regular order to join those of us who are concerned about that.

Ms. DELAURO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentlewoman from Connecticut.

Ms. DELAURO. Mr. Chairman, let me make another point about the issue of hearings. The fact of the matter is when we hold hearings, we bring in new information, new ideas, in a process that goes before the committee to listen to.

This is a set of regulations that has been on the books for the last 25 years. It has worked. These standards have worked. Not according to Democrats or Republicans or the political people, but in fact according to the medical community, to fire marshals, to fire chiefs, people who work in burn units all over this country have banned together to say it is wrong to eliminate these standards. Why are we not listening?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I would speak to the gentlewoman from Connecticut (Ms. DELAURO) by way of the gentleman from New York (Mr. HINCHEY). If we could, to kind of help work with the time of the day which is running, and as I think the points have been made very effectively, I think the gentleman from Ohio (Mr. STOKES) and I would be willing to accept the amendment.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, on this side, we would accept the amendment.

Mr. HINCHEY. Mr. Chairman, reclaiming my time, I thank the gentlemen.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. DELAURO).

The amendment was agreed to.

AMENDMENT NO. 33 OFFERED BY MR. COBURN

Mr. COBURN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 33 offered by Mr. COBURN: At the end of the bill, insert after the last section preceding the short title) the following new sections:

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the Mutual Mortgage Insurance guarantee and direct loan program, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $199,999,999.

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available under the heading ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—FEDERAL HOUSING ADMINISTRATION—FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT'' for non-overhead administrative expenses necessary to carry out the guaranteed and direct loan programs, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—VETERANS HEALTH ADMINISTRATION—MEDICAL CARE'', by $103,999,999.

Mr. COBURN. Mr. Chairman, this is an amendment about fulfilling our obligations. This is an amendment about the government being truthful with our veterans. This is an amendment about supplying health care to veterans that is equal to what one can get in the private sector.

We are going to hear a whole lot of things as we discuss this amendment about where we are getting the money, how it is going to be affected. This past Saturday night, I had the pleasure and also the terrible, gut-wrenching remorse to see a very new movie called ''Saving Private Ryan,'' and I want to tell my colleagues that for the first time in my life, I truly now am understanding what some of the veterans have been telling me for the last 4 years.

When we see the price paid by our veterans, the price that they have paid with loss of limb, with loss of health, with loss of life, we can do nothing less than to fulfill our obligation to those men and women of the commitment that we made for them.

This is a very simple amendment. It is not complicated. It takes money that was used for a mandatory program last year, and the last 7 years, and moves that money, which has now been moved from a mandatory spending account, to veterans health care. It still will not get us to the point that the Committee on Veterans' Affairs authorizes and states we should be spending on veterans health care.

When our veterans are not given what they have been promised in terms of health care, we will never in the future be able to recruit the men and women that we need to defend our country because we will not have a track record of fulfilling our commitments.

There is going to be 9.3 million veterans in the year 2000. That veteran population is aging severely. We will see a large number of the World War II veterans require hospitalization, both now and in increasing amounts over the next few years. There is going to be almost 3.5 million World War II veterans at that time. The Veterans Advisory Committee recommends that we increase spending minimally $250 million just to catch up to the point where we can meet minimum needs.

I want to tell my colleagues, the people that are on Federal Health Care Employment Benefit policies in this body do not have near the worry that our veterans have. We have written for ourselves, and all the rest of the Federal employees, a health care plan that is comparable to none. It is better than. But we have not given that same thing to our veterans.

To not supply the minimal needs as required and recognized by the authorizing committee is inappropriate and it is also unpatriotic and it fails to recognize the tremendous sacrifices that have been paid.

Under law, veterans centers are mandated, prosthetic spinal cord clinics, chronic care clinics, blind rehabilitation, which we are not funding adequately that which has been mandated. We are cutting services at every hospital. We are decreasing the quality of care by increasing the quantity of patients seen, and giving tertiary providers and secondary providers their care. Not that it is substandard in the regular community, but it is less than what they were promised.

Just to keep up with fiscal year 1998 level services, spending needs to be increased by $681 million over last year just to account for health care cost inflation and increases.

What this bill does is move $304 million. It moves it from the administration, a nonoverhead administrative account, into veterans health care.

As Members are asked to vote for this amendment, the real question that they are going to have to ask themselves is do they think we ought to be absorbing the administrative overhead of HUD programs in the mandatory accounts or can we and dare we continue to do and manage HUD the way we have in the past, and in fact do what we are obligated to do for our veterans?

Mr. Chairman, with that, I yield back, noting that I would like to hear from the gentleman from California (Chairman LEWIS) on this amendment.

Mr. LEWIS of California. Mr. Chairman, I rise very reluctantly in opposition to the amendment.

Mr. Chairman, I think it is very, very important for the House to know and to revisit the reality that veterans programs, especially veterans' medical care programs, have very broadly-based, bipartisan, almost nonpartisan support within the House. Of all the accounts in this very complex bill where we have consistently appropriated dollars above and beyond the President's request, it is the veterans' accounts. Of all the accounts, we have not reduced veterans programs. This account has received that support.

We worked, and I would appreciate the gentleman listening to this, we worked very closely with the veterans service organizations regarding the medical care accounts. But let me say to my colleague, I personally have a very strong disagreement with many of those organizations.

□ 1430

While I usually join hands with them in supporting additional funding for veterans programs, all too often I cannot get them to join me to go out to the hospitals where veterans are treated and make certain those monies are being spent in a fashion that assures that our veterans are treated as human beings, not as people with a number on their forehead.

So the VA has a lot of work to do there. I hope that my colleague would assist me with communicating that to our VSOs and make sure the dollars we are spending are being used in a maximum way for the positive benefit of all veterans being served.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I could not agree with the gentleman. As a matter of fact, in my district we have gone through a transition in a veterans hospital, Muskogee Veterans Hospital, in which we have seen a redirection in the change. But that does not negate the fact that there is not enough dollars to meet the obligations. Yes, we have increased it, but we have not increased it to what we need to meet the obligations for our veterans. I would love to give the gentleman some examples.

Mr. LEWIS of California. Reclaiming my time, Mr. Chairman, let me go back to my point. The gentleman, I know, has many points that he will make. But indeed, within this bill there is a great variety and mix of accounts that we have tried to balance.

I think most of our colleagues understand that one of the issues that has floated around here all year long and has raised a lot of controversy involves FHA loan limitations. It happens that the gentleman has decided to take funding that HUD uses to administer those programs.

Literally the progress we made earlier in the year on that FHA issue would be undermined, dramatically undermined by the gentleman's amendment. Whether we like it or not, those funds have to be administered in the

fashion that is outlined in this bill or the programs will not be administered. Indeed, it has been suggested that this funding is not included on the Senate side and thereby is not needed. The reality that funds are not on the Senate side is exactly why they are needed at this point within this bill.

So while I understand and appreciate the gentleman's circumstance, there is many an account in this bill that I would love to zero to put more money in veterans programs. In the past, I have had some difficulty zeroing programs where I have proposed that we do exactly what the gentleman is talking about.

This is a fairly balanced bill. So reluctantly, as I have suggested, I would resist the gentleman's amendment.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Coburn amendment. It would cut administrative funds available to the FHA by more than one-third, thereby crippling its operations.

I am in favor of providing additional funds for veterans health care, if a way can be found to do this. However, I cannot support increasing funds for the Department of Veterans Affairs at the price of virtually shutting down the Federal Housing Administration. The FHA and its programs are well known to most of the Members. The largest FHA program is single family mortgage insurance, what most of us simply know as FHA mortgages.

This program has made homeownership affordable for literally millions of American families, especially first-time home buyers, families with modest incomes, minorities, women and residents of inner cities. Other major FHA programs provide major insurance or other forms of credit for multifamily apartment construction, home repair, hospitals, nursing homes and many other purposes.

While there might be disagreements about the details of some of the FHA's programs, few of us, if any, advocate shutting down or crippling the FHA. Yet that is exactly what the Coburn amendment threatens to do.

In our bill we provide four line item appropriations for the administrative costs of the FHA. The Coburn amendment essentially eliminates the appropriations for two of these line items, leaving just one dollar in each of the accounts. That is a cut of $306 million, a reduction of 36 percent in the FHA administrative funds provided by the bill.

The two particular line items that the Coburn amendment virtually eliminates provide funds for contracting. This includes the contracts to operate and maintain all of the FHA's basic computer and data processing systems, including systems for accounting, processing claims, collecting premiums, managing assets and the like. Other contracts funded through these appropriations cover things like auditing, property appraisals, loan management. These are not just incidentals of some kind of bureaucratic overhead. Rather, they are all core functions for a credit program like the FHA.

Even if funds could be shifted from the FHA's two other line items to cover these costs, then things covered by other appropriations would be left unfunded.

However we slice it, I do not see how the FHA can function with a 36 percent cut in its budget for operations and administration.

I would hope that we would defeat the Coburn amendment.

Mr. SCARBOROUGH. Mr. Chairman, I move to strike the requisite number of words.

Let me say, first of all, I want to state that I do appreciate what the chairman of this committee has done over the years. I want to also thank the gentleman from Arizona (Mr. STUMP) for what he has done for the Committee on Veterans' Affairs and for all the men and women on the Committee on Veterans' Affairs and also on the Subcommittee on VA, HUD and Independent Agencies, because we can trace over the past 3 or 4 years the budgets that have come out of this House and also the budgets that have come out of the administration and see that their efforts have been truly heroic.

Regrettably, in my opinion, this administration has continued to slash veterans funding too much. All we have to look at for evidence of that is the balanced budget deal that was passed back in 1997. The only two areas where real spending cuts took place, I am talking real cuts, not freezes, not increases that people in Washington called spending cuts, the only two areas where there were real cuts were in defense dollars that affected military retirees' medical accounts and also in the veterans area where there was a $3 billion cut. Talk about shameful, that is shameful. And certainly I do not stand here in the well of this House and say that has any reflection on either the gentleman from California (Mr. LEWIS) or the gentleman from Arizona (Mr. STUMP) or the members on those respective committees. In fact, I want to thank them on behalf of all of the veterans in my district for the great fight that they have put forward.

However, I do support this amendment, the Coburn amendment. I do that because I have more military retirees, which this does not affect, and veterans in my area, and I have seen from the past 3 or 4 years the declining medical state of those people in my district. I have no other choice but to be here.

I have a brief question to ask the gentleman from Oklahoma regarding a statement that was said over here. We heard from the ranking member that somehow the FHA would be crippled if the gentleman's amendment passed. That is something I do not want to do. I would like some clarification. It is my understanding that this bill actually increases FHA funding by 50 percent. Could the gentleman enlighten me on that matter?

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, this bill, under current FHA operation, increases FHA administration by 50 percent over what it was last year in terms of the dollars.

Number two, this is into an account called nonoverhead administrative expenses. It is a new provision. It was not in there last year. Neither the committee report nor the actual text of the bill provides any explanation as to what this money will be used for or why FHA needs more than a 50 percent increase in funds for administrative and overhead expenses. While the President requested this money, there is no explanation other than to say that the result of FHA correcting the allocation of administrative expenses among its budgetary accounts.

Finally the Committee on Banking and Financial Services, which has jurisdiction over FHA, made no mention of these nonadministrative overhead expenses in their review and their view on the fiscal year 1999 budget request. HUD claims they need this money to keep the Federal Credit Reform Act. For the past 7 years, FHA has used mandatory spending to meet these costs. Now OMB tells them they need discretionary funds to meet these costs or they need statutory language so that they can continue to use mandatory money.

This amendment will allow the conference to add the language, as the Senate seems to intend on doing, by not appropriating money for this account.

Mr. SCARBOROUGH. Reclaiming my time, I thank the gentleman and will be supporting his amendment. Again, I want to say I understand the extremely difficult balancing act the chairman of this committee undertakes and I certainly, despite supporting this amendment, I want to thank the gentleman from California (Mr. LEWIS), and I also want to thank the gentleman from Arizona (Mr. Stump) for all the work they have done on behalf of the veterans in my district.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

I would like to ask the gentleman from California a number of questions, if he would not mind responding.

I wonder if the gentleman would be willing to answer a number of questions about how the FHA fund works. It has just been alleged that the FHA funding level for administrative purposes is 50 percent above last year's level. Is it not true that in the past, FHA funded these operations simply by taking their own funds and using them without a congressional appropriation? And is it not true that OMB said that they could no longer do that, that they

could only perform those functions if they actually got an appropriation from Congress? And is it not, therefore, a fact that there is no real increase whatsoever in the dollar level that is available to FHA for these purposes?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman is correct. Indeed, this is the first year that we will have had this kind of account within our bill to my knowledge.

Mr. OBEY. So there is no increase in the amount of money available to the FHA for these administrative purposes?

Mr. LEWIS of California. Mr. Chairman, I was going to ask the question, where these numbers came from. Frankly, I did not want to embarrass anybody.

Mr. OBEY. Let me also then ask the gentleman, is it not true that the effect of this amendment goes to the services which are contracted for by FHA?

Mr. LEWIS of California. Mr. Chairman, that is correct.

Mr. OBEY. And is it not true that those services are, for instance, appraisals that FHA is required to obtain and computer services, without which FHA could not function and could not cut checks that they are supposed to cut?

Mr. LEWIS of California. Mr. Chairman, the gentleman is correct. As I said in my opening remarks regarding this amendment, it concerns me that this cut could undermine all the work we have been doing all year long on FHA accounts.

Mr. OBEY. So that is why the gentleman from California said, in essence, that if this amendment is passed, it would shut down the ability of the FHA to function without these services to American homeowners.

Mr. LEWIS of California. The gentleman is correct.

Mr. OBEY. Mr. Chairman, I thank the gentleman.

Mr. RYUN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all I want to thank the gentleman from Oklahoma for offering this amendment. I want to stand and speak in strong support of it.

I think it is very important at this point that we restore confidence in this country's commitment to our veterans. Currently our military is in its 14th year of declining budgets. That means benefits are being cut for our current active duty men and women who serve this country. This discourages our young men and women who are involved in the service.

I think it is very important that we send a very positive message to them, to our current active military as well as our veterans, that we will make good on our commitment to them. And this is an opportunity to ensure that those benefits will be there and that we will continue to work to fulfill those commitments.

I recognize that this is difficult and the gentleman from California (Mr. LEWIS) and the gentleman from Arizona (Mr. STUMP) have worked very hard, but I want to thank the gentleman from Oklahoma for offering this amendment.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. RYUN. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, I would just like to make a couple of points.

Number one, I do appreciate the chairman's work for veterans. This amendment is not intended to imply in any way that his concern and care for veterans and that his responsibility for increasing veteran spending in the last 4 years is anything less than stellar.

I think the assumption made by the gentleman from Wisconsin that if this money is not in there that everything is going to shut down is not an accurate assumption.

□ 1445

As a matter of fact, that assumption would mean to say that the Senate intends to shut down HUD and FHA loans because they have put no money in for this amendment.

The other thing that I would want to make sure that the Members are aware of, that the American Legion, the Order of Purple Heart and the Veterans of Foreign Wars adamantly and fully support this amendment. It will in fact move us in a direction of meeting the obligations that we are obligated and morally bound to fulfill.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. RYUN. I yield to the gentleman from California.

Mr. LEWIS of California. I know the gentleman did not mean to even suggest that the Senate would know more about the process than we might, but this is the first time this year that we have had this kind of responsibility in our bill. I must say that the other body seemed to be unaware of this need. Indeed, it would have a significant impact upon this administration. It is a new ball game, so I can understand misunderstanding, even on the part of the Senate. And possibly there is some misunderstanding here within the House as well.

Mr. SHADEGG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I too would like to join the others in this Chamber complimenting both the majority and the minority in drafting this bill, but I rise in very strong support of the gentleman's amendment.

Let me try to clarify the issue with regard to HUD funding. It is true that these HUD funds have in the past come from a different account. Indeed, for the past 7 years, FHA has used mandatory spending to meet these costs. But the OMB put out a report saying that in the future, one of two things would have to happen: Either, the OMB said, you must find discretionary funds to meet these costs, or you need a statutory change in language to continue to use the mandatory funding. The point being that while the gentleman argues there is no funding increase, in point of fact there has been no funding cut anywhere else; and if we appropriate this 50 percent increase in discretionary funding, we will in fact be spending more money. It does not have to happen. We can in fact fix the statutory language, avoid a 50 percent increase in HUD funding simply by changing the statute, and fund a cause that is extremely important.

So having talked about the fact that we do not need to increase spending by 50 percent, we do not need to spend an additional $304 million on non-overhead expenditures, administrative expenditures at FHA, we can continue the practice in the past with a mere statutory change in the language, I want to talk about why using this fund for VA health care is important.

I recently visited the VA hospital in Phoenix, Arizona. I was embarrassed to walk through that facility. In the southwestern United States, we face a difficult problem. Many of our Nation's veterans are retiring to the Sunbelt, to the South and the Southwest where it is warmer and they want to spend their final years. That has put an incredible burden on our veterans hospitals. As my colleague has pointed out, we are underfunding our commitment to our veterans. This bill is a painless way to add $304 million critically needed to those VA health services. It is important that we step up to the plate.

All my life I have been kind of a fan and an aficionado of D-Day and the sacrifices that were made there. We all know that in this Capitol just a few days ago, a sacrifice was made to protect the people in this building. Our veterans have all made a sacrifice in their lives. With all due respect to the chairman of the committee and the ranking member, the gentleman's amendment will enable us to honor our commitment to provide health care to our veterans without increasing the spending at FHA simply by fixing the problem at FHA that OMB identified in a very simple administrative way. It does appear to be the same method that the Senate plans to use. If I can, I urge my colleagues, in the strongest possible terms, to join me and to join the gentleman in supporting this amendment and in honoring our commitment to America's veterans and to the health care needs that they have.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to follow up on that. Our VA hospitals are important. In spite of a few of them maybe being bad, I believe that they are doing better, doing a better job and being more responsible. I can cite the Dallas VA as an example of that. So I

do not think that we need to wait to increase funding for our veterans. Our veterans are probably our most important product here in this country, and it is time we supported them fully.

I think it is important that not only all the veterans organizations support this amendment but our Conservative Action Team also on this side supports it. I think $304 million that we have been discussing back and forth here is kind of one of those nebulous things that nobody has really put their finger on to say it is really needed. If it was not there last year, why do we need it this year, and they can waive the rules so that it can operate under mandatory funding. Apparently that is what our Senate did.

I would encourage us to help our veterans. It is an aging population, as has been stated before. Our age is going to peak in the year 2000. We need to have more money in that system. The Committee on Veterans' Affairs recommended about $452 million above the House level. This $300 million will start to make our veterans well. I encourage all Members to vote for the Coburn amendment.

Mr. HINCHEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Ohio (Mr. STOKES).

Mr. STOKES. I thank the gentleman for yielding to me.

I would ask the maker of the amendment, the gentleman from Oklahoma (Mr. COBURNs), the gentleman sent out a Dear Colleague letter. In his letter, he makes reference to the fact that they need statutory language so that they can continue to use mandatory money.

Does the gentleman agree with me that under his language, that is, if we use mandatory language, that that in effect is also spending for which the committee would be charged and that if we are charged with it, we will go over the 302(b) allocation?

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Oklahoma.

Mr. COBURN. That is right. What we are saying is if we write that statutory language, we will continue to take administrative expenses from the mandatory side rather than from the discretionary side. That is how you have been doing it the last 7 years.

Mr. STOKES. If I can bring this to the attention of the gentleman, ''Substantive changes to or restrictions on entitlement law or other mandatory spending law in appropriations laws will be scored against the Appropriations Committee's section 302(b) allocations in the House and the Senate.''

Is the gentleman aware of that provision of the law?

Mr. COBURN. Yes, I am, and I still would tell him that I will vote for a priority for our veterans over the administrative overhead of HUD every day.

Mr. STOKES. Then the gentleman does agree that we would exceed our 302(b) allocation by using the mandatory language.

Mr. COBURN. Mandatory spending does not count on 302(b) allocations.

Mr. STOKES. I just read the gentleman the law.

Mr. COBURN. I understand. But mandatory spending is not appointed against 302(b) allocations.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would like to simply point out that there is no statutory authority for the agency to continue to do this through mandatory spending. If there were, then they would simply be spending the same amount of dollars in mandatory spending as they are spending through appropriated accounts.

Mr. COBURN. Absolutely.

Mr. OBEY. And so you would not be saving one dime. You would simply be adding in the real world as opposed to the green eyeshade accounting world, you would simply be adding more money to the budget. What you are suggesting is that there is a way that we can sneak around the budget limits without getting caught, and I thought that the CATs were opposed to stuff like that.

Mr. COBURN. First of all, I am not stating that a legislative waiver is necessarily the best answer. I know that may be the temptation of us as a body, and in fact we may need to do that. What I am saying is that there is a lack of available discretionary funds made between the two bodies. What the explanation for that is, I do not know. But the question that I would have is why does the CBO score a legislative waiver as a cost? CBO scores it as a cost because it is an actual change in the law. It is not, however, a change in practice.

Mr. OBEY. The fact is I cannot get into the head of OMB or anybody else around here. All I know is that we have a choice. The choice is whether or not we are going to tell Members that things are so that are not so. The fact is, Members are being told by your side that this will not shut down FHA. The fact is absent new statutory authority, it most certainly will. And your amendment will in fact cripple the ability of FHA to deliver housing to people in this country. Now, that is a fact, whether you admit it or not.

Mr. COBURN. If the gentleman will yield further, I would not have that interpretation of the facts, especially not in that absolute manner. I would also say, and I would reemphasize again, if this causes heartburn: ''So be it''. Our veterans are underfunded.

Mr. OBEY. I would suggest what you are saying is if this causes heartburn to all of the people who we supposedly helped in the Neumann amendment last week on FHA housing, you are saying: ''So be it.'' I do not think you ought to treat homeowners that way, either; certainly not struggling working people who need FHA to get access to the housing market.

Mrs. CHENOWETH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. I appreciate the gentlewoman yielding.

Mr. Chairman, I think it is important for the body to know that while there may be some confusion about the impact of this amendment, and it is understandable because it is a new responsibility in terms of language that we have in this bill, it nonetheless would have a huge impact upon the administration of FHA programs and would thereby undermine that work that we are all involved in. I think there are some 250 Members who coauthored that effort we made a couple of weeks ago, and this would undermine much of what we did there. So it is important that we not, because we have a wish list, to take money from so-called easy housing programs and move it somewhere else. This is a very delicately balanced bill. I would urge the Members not to undo that FHA program they worked so hard for with this amendment but find some other way to do this.

Mrs. CHENOWETH. Mr. Chairman, reclaiming my time, I yield to the gentleman from Wisconsin (Mr. NEUMANN).

Mr. NEUMANN. I would just like to clarify the funding and what exactly happens with this funding, to the best of my understanding. This is currently an appropriated amount of money, which means it is under the 302(b) allocation. If we were to move it back into mandatory and we were to authorize the spending under the mandatory portion of the budget, we would have a pay-go problem. Because pay-go says if you are going to start a new mandatory spending program, you either have to raise taxes or decrease a mandatory spending program elsewhere.

My only intent here is to make sure that we understand what the funding implications are. Certainly if they had been spending this money in the mandatory portion of this program, the program should have been authorized and they had no business spending it before.

Mr. COBURN. Mr. Chairman, will the gentlewoman yield?

Mrs. CHENOWETH. I yield to the gentleman from Oklahoma.

Mr. COBURN. First of all, they are already spending this money, so it is offset. It is already being spent.

Mr. NEUMANN. In the 302(b).

Mr. COBURN. Yes. Under mandatory spending. It is already being spent. The money is being spent. Otherwise, we would not have had the administration in the last year.

I would just ask to make one additional point. Given all that technically, we have not met our commitments to our veterans. There is no need for a 50 percent increase in the funding

on this bill, and we need to move it to the veterans. If there is a problem with that, then we need to prioritize somewhere else so that we meet what we need to do for our veterans.

Mrs. CHENOWETH. Reclaiming my time, I thank the gentleman for his explanation.

My concern is, is just keeping promises. The fact is, we have over $4 billion in new spending on HUD and EPA and CEQ, but we are not expending one new, thin dime in veterans' health care. The fact is that there will be about 3,413,000 new veteran claimants this year. The fact is that World War II veterans are now old, they are aged, they are infirm, they are frightened, they feel alone, and now we are not keeping our promise because we have only set aside about $5,000 per year for each one of those veterans. That is not enough. They were willing to give their last full measure on the battlefield for us, and they won for us. We made a deal with them, and I think we better keep it.

Theodore Roosevelt, our President, said that a man who is good enough to shed his blood for his country is good enough to expect a square deal will be given to him when he gets home.

□ 1500

Mr. Chairman, I feel very strongly about that, and I believe that every veteran in this great Nation recognizes the need that he must fulfill in fighting for his country, and now we need to recognize the need of our veterans.

My parents, I lost both of them recently, and even with old age people do feel alone and frightened, and can we do that to our veterans now, those men who fought with able, fit, young bodies and went overseas and fought the good fight for us so that we would be able to stand here and be able to speak freely?

Mr. TAYLOR of Mississippi. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to commend the gentleman from Oklahoma (Mr. COBURN) for his efforts to encourage others to vote with him. The gentleman from Wisconsin (Mr. OBEY) and the gentleman from California (Mr. LEWIS) are probably right when they say the way he goes about it is flawed. Guess what? We do lots of flawed things around here. We start off every day by waiving the rules that govern this body, every single day, Mr. Chairman, and say we got these rules, but they do not count; let us throw them out. The question is if we are going to do that for everything else, how about just once doing it for the folks who deserve it the most?

There is really only one group of Americans who were promised health care, and that is our veterans. Medicare and Medicaid did not come along until the glory years of America in the 1960s when we had more money than sense. We now spend about $260 billion a year on Medicare and Medicaid. We spend about 40 on veterans. Those folks got it just because they exist. Now, veterans earned it.

So even if what the gentleman is doing is flawed, that is why we have a conference committee to make it fit within the rules.

As my colleagues know, we are talking, some people here in this body, not me, are talking about giving back a hundred billion dollars in tax breaks. But doggone, if we can find the money to give their wealthy contributors a tax break, how about us finding the money to help those people who are now too old to help themselves, who go to the veterans hospital because they are short on cash, who go there because it gives them the chance to relive the greatest days of their lives, the most horrible and the greatest days of their lives all at once?

And if my colleagues ever want a reason to do this, I would encourage them to read a one-page article in Newsweek 2 weeks ago, written by Stephen Ambrose, called ''The Kids Who Saved the World.'' They did not question; they did it for 50 bucks a month. It was not for the benefits, it was not for free health care. They did it because it was the right thing to do.

We have a chance to do the right thing. We can find a million technical reasons why we should not help our veterans. But, my colleagues, know what? People in this country were not promised cheap home loans. People in this country were not promised free medical care if they served their country. Let us keep the promise that we made and then worry about those other things that are nice if we can afford them.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not going to speak on this until I heard the debate, and I have the greatest respect for the ranking minority member, the gentleman from Ohio (Mr. STOKES), and my colleague from California (Mr. LEWIS). But I tell my colleagues this is about priorities and it is about promises.

The priority: If I was going to vote for health care for veterans or housing, I have no question where my priority lies. It is health care for our veterans.

Our Capitol Police, in the news right now; if I was going to support either their health care or the housing, I would choose their health care for themselves and their families.

I was the original offeror of subvention, not myself, but the veterans in San Diego, California, and it is a Band-Aid. TriCare is a Band-Aid for the promises that we made. The original bill of the gentleman from Oklahoma (Mr. WATTS) and myself gave full funding to FEHBP. One can take a trash collector at a military base for the Pentagon, or a secretary, and they get the benefits of FEHBP. But someone who has gone over and fought our wars or their families, they do not get it. And that is the real answer that we need to do and take a look for our veterans, and take a look at it, and this is a very divisive issue, and it should not be.

But I read the article by Mr. Ambrose, ''Kids Who Saved the World.'' I would recommend it. It is one of the best articles that one could read. And I would say to my friends that our active duty forces today, we are only retaining 24 percent of them because our operation tempo is 300 percent above what it was during the Cold War or Vietnam.

We are killing our military. It is in the worst shape I have ever seen it. These people are going to become veterans, and we are going to deny them health care? I do not think so.

I rise in strong support of the gentleman's amendment, and I ask for its passage.

Mr. BENTSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. With all due respect to my colleagues, this is not necessarily about the choice between housing for the American people and veterans, and if we were going to use that as a yardstick, we could go back to when we passed the highway bill, and I did not hear a lot of my colleagues or did not see a lot of my colleagues voting against the highway bill.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. BENTSEN. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, the author of this amendment was in vocal opposition to the highway bill.

Mr. BENTSEN. Mr. Chairman, I appreciate that, but nonetheless we have heard a number of colleagues say we have to deal with priorities here. Well, we seem to lose those priorities when it came down to concrete and cement and all that we were going to do.

Now there are issues related to the highway bill, budget and things like that. But here is the problem as I see it with this particular amendment: I appreciate what the gentleman from Oklahoma is trying to achieve with respect to veterans health care. However I am afraid that his amendment unintentionally, I believe, would tamper with what is otherwise a very successful Federal housing program and put the government at greater risk and, thus, the taxpayers at greater risk of default.

Now it is my understanding that the reason why the discretionary appropriation is in here is part of FHA's responsibility to meet the Fair Credit Reform Act of, I think, 1990 which requires all government credit-type agencies, including FHA where we guarantee mortgage loans that are outstanding, that we have adequate reserves and adequate servicing and management of those portfolios. To not allow the FHA by taking away their funds to adequately manage the single

family mortgage portfolio that they have would ultimately put at risk the triple-A-triple-A credit standard of that portfolio. So in the long run, it would affect the borrowing cost of the American people who are eligible for the FHA loans, and I am not sure that any Member wants to be involved with raising the borrowing cost in that regard.

Second of all, it very well could affect the portfolio quality if we do not give the FHA the ability to move, foreclose, and liquidate real estate owned. We do not want to have the government owning a lot of property that is not bringing an income and putting at risk the credit portfolio, and that also would affect the credit quality but ultimately could affect the taxpayers where we might have to put out more money to address shortfalls in the portfolio.

So while I applaud the gentleman for trying to reach out to the veterans and give them more funding, this amendment is the wrong way to go because we are going to potentially mess up what is otherwise a well-run program that meets its obligations and thus has achieved the credit rating that lowers the interest cost to the people who can benefit in it.

So I would urge my colleagues, as one who came to this House from working in the mortgage industry, and I have looked at a lot of FHA credits over time, I do not think we want to tamper with a good thing, and this amendment tampers with a good thing, and I would urge my colleagues to oppose the amendment.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to strike the requisite number of words.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I will not take the 5 minutes. I have had discussions with my colleagues, the gentleman from Ohio (Mr. STOKES) and others on the other side, and with a voice vote it is our intention to accept that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma (Mr. COBURN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BERMAN

Mr. BERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BERMAN:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act (including amounts made available for salaries and expenses) may be used by the Director of the Federal Emergency Management Agency to take any action—

(1) to permit Kaiser Permanente to transfer any of the funds made available to the Kaiser Permanente hospital in Panorama City, California, under the Seismic Hazard Mitigation Program for Hospitals (including funds made available before October 1, 1998) to any other facility; or

(2) to permit Kaiser Permanente to use any of the funds described in paragraph (1) to relocate the hospital to a site that is located more than 3 miles from the current site of the hospital.

If, before October 1, 1998, the Director takes an action described in paragraph (1) or (2), the Director shall rescind the action.

Mr. BERMAN (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BERMAN. Mr. Chairman, my amendment, which I am showing both to the chair and ranking members of this subcommittee, would simply ensure that certain FEMA disaster funds related to the 1994 Northridge earthquake are used in a fair and appropriate manner. After the quake and at the behest of a great deal of effort by the gentleman from California, the chairman of the subcommittee, FEMA created the Seismic Hazard Mitigation Program for hospitals, a program which was intended to rebuild and improve seismic performance of damaged hospitals. FEMA allocated 68 million under this program to the Kaiser Permanente Hospital in Panorama City which provides emergency room services and inpatient care for thousands of families.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from California.

Mr. LEWIS of California. My colleagues and I discussed this in some depth, and I think the House, when they read it, will understand it.

I am ready to accept the amendment if my colleague from Cleveland is so inclined.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. BERMAN. I yield to the gentleman from Ohio.

Mr. STOKES. We also are agreeable to accepting the amendment.

Mr. BERMAN. Mr. Chairman, I thank the gentlemen, and, reclaiming my time, I am ready to accept their acceptance and to stop my talking.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. BERMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. NEUMANN

Mr. NEUMANN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. NEUMANN:

At the end of Title IV, insert the following:

SEC. . None of the funds made in this Act may be used for researching methods to reduce methane emissions from cows, sheep or any other ruminant livestock.

Mr. NEUMANN. Mr. Chairman, about a month, month-and-a-half ago, I brought some information to this body regarding an audit of the Federal Government, and we started going through some of the things that were in that audit, and it got to the point where people were laughing about the things, and they would have been funny had they not been true; when we found things like the Navy could not find 21 out of 79 ships they went looking for.

The amendment I bring here today falls into that category.

I would like to see some of our colleagues explain to their constituents back home exactly why it is that we are spending hundreds of thousands of dollars of the taxpayers' money every year to study cow belching and cow gas and those other words for this that would make it even more humorous.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I am having a bit of difficulty swallowing all of this, and, as a result of that, I read the amendment carefully and I believe my colleague and I are ready to accept the gentleman's amendment.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. NEUMANN. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, I am having difficulty swallowing it, too, but I also agree to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. NEUMANN).

The amendment was agreed to.

□ 1515

AMENDMENT NO. 22 OFFERED BY MR. HINCHEY.

Mr. HINCHEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 22 offered by Mr. HINCHEY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. 425. None of the funds made available in this Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocation system.

Mr. HINCHEY. Mr. Chairman, the Veterans' Equitable Resource Allocation system, known as VERA, may have started out with good intentions. The purpose was to shift funds in accord with shifts in veterans' populations, and more specifically, with veterans' needs.

If there are more veterans needing health care services in Florida today than there were 20 years ago, and we know that that is true, then Florida should be getting a larger share of the VA health budget than it received previously. That is common sense, and I have no argument with that principle.

But I do have an argument with the actual plan for reallocation, the VERA plan, and with its consequences. Many of us were very disturbed in January of 1997 when the VA first gave us figures about how much would be cut from its health care spending in our regions to fit the VERA plan.

We had been hearing from our veterans that the quality of care was not what it ought to be in many places, and we were concerned that these new cuts would hurt our veterans even more.

The VA assured us that quality of care would not decline. Most of the reductions had already taken place, we were told. Any further reduction would be covered by improvements and efficiency.

Every time we raised a question about the VERA model, for example, did it take into account higher costs in our region, did it take into account the fact that our facilities are old and in need of repair or replacement, each time we were assured that it did and the model was perfect. It was not.

The decline in patient care at one of the hospitals that serves veterans in my area was swift and dramatic. Myself and my colleagues in the area asked for a review by the Inspector General at the Veterans Administration, and the report was horrifying. It documented sharp increases in deficient care, understaffing, and important professional categories, poor maintenance of facilities.

It found, in fact, that there was a 50 percent increase in the rate of patients who died, who had received poor or marginal care in the 6 months after VERA formally took effect, a 50 percent increase in mortality rates. Some veterans told me they wept when they read the report.

It was undeniable that these problems were attributable to the VERA cuts. To mention just one example, professional staff were offered buyouts to get the budget into line with the VERA requirements. But no one had planned how to replace them or to reassign those who stayed.

In February, we were given more bad news. What we were told about the VERA cuts had not been accurate. We were going to have to absorb another $120 million in cuts over the next 2 years. How are we going to do that, we asked, when we have just documented the problems in our region? We have not received an answer to how that is going to be done.

I have just learned that the Veterans Administration is planning another round of cuts under VERA that will affect 11 regions. The regions facing cuts are these, Boston headquarters serving Maine, New Hampshire, Vermont, Rhode Island, and Massachusetts. They will receive $38.8 million in cuts. The Albany area, serving upstate New York cut $12 million. The New York City metropolitan area, serving lower New York and Newark, New Jersey cut $48 million. Pittsburgh, serving Pennsylvania, Delaware, part of West Virginia cut $3 million. Durham, serving North Carolina, part of West Virginia and Virginia cut $1 million. Nashville, serving Tennessee, part of West Virginia and Kentucky cut $12 million. Chicago, serving part of Illinois, Michigan, and Wisconsin cut $28 million. Kansas City, serving Kansas, Missouri, part of Illinois cut $20 million. Dallas, serving Texas, except for Houston, cut $10.5 million. Denver, serving Colorado, Wyoming, Utah, and Montana cut $13 million. And Long Beach, serving California and Nevada cut $23 million.

The message of my amendment is simple. VERA is not equitable. It has failed. It may not have failed veterans all over the country yet, but it has clearly failed veterans in many regions and will be failing more instantly.

My amendment would cut off funding for implementation of VERA. It would force the VA to go back to the drawing boards and develop a system that really would treat all veterans equitably.

The CHAIRMAN. The time of the gentleman from New York (Mr. HINCHEY) has expired.

(By unanimous consent, Mr. HINCHEY was allowed to proceed for 1 additional minute.)

Mr. HINCHEY. Mr. Chairman, right now our veterans are being damaged by a faulty computer model. We would like to free them from the computer model and see a system based on the realities.

There will be some people who may come to the floor opposing this amendment. They may say that the system is working. They may say that it is helping veterans in some parts of the country. That may be true, but, increasingly, it is hurting more and more veterans, not just in metropolitan areas but all across the country. From coast to coast, veterans are being affected negatively by these cuts.

I ask my colleagues to join me in adopting this amendment so that we can get a sensible approach to the need to finance the health care needs for veterans all across the country.

Mr. BILIRAKIS. Mr. Chairman, I rise to speak in opposition of the amendment.

Mr. Chairman, as I said, I do rise in strong opposition to the amendment which would prohibit the use of VA funds to further implement the Veterans' Equitable, and I emphasize that word equitable, Resource Allocation system.

VERA, as it is called, corrects historic geographic imbalances in funding for VA health care services and ensures equitable access to care for all veterans. Long ago, our Nation made a commitment to care for the brave men and women who fought the battles to keep America free. These are our Nation's veterans. Please take note when I say ''our Nation's veterans.'' They are not Florida's veterans or Arizona's veterans or New York's veterans. They are our veterans, and we, as a Nation, have a collective responsibility to honor the commitment that we made to them.

When they volunteered to fight for America's freedom, no one asked these veterans what part of the country they came from. It simply did not matter. Unfortunately, when they came home, veterans found out that where they live matters a great deal. Until the passage of VERA, a veteran's ability to access the VA health care system literally depended upon where he or she happened to live.

Since coming to Congress, I have heard from many, many veterans who were denied care at Florida VA medical facilities. In many instances, these veterans have been receiving care at their local VA medical center. However, once they moved to Florida, the VA was forced to turn them away because the facilities in our State simply did not have the resources to meet the high demand for care.

This lack of adequate resources, Mr. Chairman, is further compounded in the winter months when Florida veterans are literally crowded out of the system by individuals who travel south to enjoy our warm water.

It is hard for my veterans to understand how they can lose their VA health care simply by moving to another part of the country or because a veteran from a different state is using our VA facilities.

Congress enacted VERA for a very simple reason: equity. No matter where they live or what circumstances they face, all veterans deserve to have equal access to quality health care.

Since VERA's implementation, the Florida Veterans' Integrated Services Network, VISN, which includes Puerto Rico, I might add, has treated approximately 35,000 more Category A veterans. These are service-connected and low-income veterans who would not have had access to VA medical care without VERA.

The Florida and Puerto Rico network estimates it will treat a total of 280,000 veterans by the end fiscal year of 1998. The Florida network has also opened nine new community based outpatient clinics in the past 2 years. It plans to open three more clinics by the end of the fiscal year. None of this could have happened without VERA.

The failure to move forward with an improved and fair funding allocation system would mean that the VA would miss a unique opportunity to revitalize its way of doing business. The negative impact would be felt most by veterans who would not be treated in areas that are currently underfunded.

Failing to implement VERA will waste taxpayers' dollars because a return to the funding practices of the past will mean that some VA facilities will receive more money per veteran than others to provide essentially the same care.

The author of this amendment argues that veterans of New York are not being treated equitably. The VERA system already takes regional differences into account by making adjustments for labor costs, differences in patient mix, and differing levels of support for research and education.

Under VERA, the VA facilities in the metropolitan New York area are receiving an average of $5,659 per veteran patient. This means that these facilities receive an average payment for

each patient that is 27 percent higher than the national average.

I ask, how is this inequitable? If the Hinchey amendment passes, continued funding imbalances will result in unequal access to VA health care for veterans in different parts of the country.

VERA ensures that veterans across the country have equal access to VA health care and that tax dollars are wisely spent. I urge my colleagues to vote against the Hinchey amendment.

Mrs. LOWEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Hinchey amendment to prohibit funding for the Department of Veterans Affairs misguided VERA plan.

The VERA plan will take scarce resources away from the veterans in my district and other areas of the northeast based on flawed data about veteran populations around the country. The veterans who use the VA health care system in New York deserve better than the VERA plan gives them.

Each year, about 150,000 veterans use the eight VA facilities in the New York metropolitan region. These veterans have come to rely on the excellent services provided by these facilities but the cuts in these services called for in the VERA plan will be disastrous.

Since the implementation of VERA began, I have received reports from many veterans in my district of diminished quality of care at the VA medical centers. In fact, the VA's Office of the Medical Inspector investigated the Hudson Valley VA hospitals and found more than 150 violations of health and safety rules at those hospitals alone. It is not a coincidence that these violations came at a time when these hospitals were trying to cut costs to comply with VERA, and the situation is about to get worse.

When I joined some of my colleagues in a meeting with VA officials about VERA implementation several months ago, the reports from the VA were alarming. Under Secretary for Health Kenneth Kizer told us that under the current budget the VA will hit a brick wall in its ability to provide services to the veterans community in my region, and James Farsetta, the director of Network 3, which serves my constituents, said his network would, quote, be in trouble soon under the current VERA plan.

Mr. Chairman, I understand the need to provide services to growing veterans populations in other regions of the country but that must not be done on the backs of New York's veterans.

A recent assessment of the VERA plan by Price Waterhouse highlighted a major flaw in the fundamental assumptions of the plan. The report stated that, quote, basing resource allocation on patient volume is only an interim solution because patient volume indicates which veterans the VHA, Veterans Health Administration, is serving; not which veterans have the highest health care needs. This is especially relevant to the New York region, which has the highest proportion of specialty care veterans in the country.

Mr. Chairman, we cannot turn our backs on New York's proud veterans, but that is exactly what will happen if we allow the VERA plan to go forward. I urge my colleagues to protect our veterans by supporting the Hinchey amendment.

Mr. NETHERCUTT. Mr. Chairman, I move to strike the requisite of number words.

Mr. Chairman, I rise very strongly in opposition to this amendment, and I think that my colleagues need to understand really what it does and what this amendment seeks to do as it relates to veterans health care.

The VERA system was mandated by legislation passed into law in the 104th Congress. It is strongly supported by the Veterans Administration. In the second half of fiscal year 1997, the VA began implementing the VERA system, the Veteran Equitable Resource Allocation system.

This allocates health care resources according to the numbers of veterans served in each veteran's integrated service network, VISN, in the country. Historically, funding for the VA flowed into hospitals in the east where veterans were originally concentrated. Each year, this funding was increased, even as veterans began to migrate away from these regions. Over time, a serious mismatch developed between numbers of veterans needing care and the number that the system was capable of serving.

□ 1530

VERA corrects this divergence of linking funding within each visit to the actual population served.

What is happening now, Mr. Chairman, is that veterans are moving south and they are moving west, but yet those who support this amendment want to keep the money that supports those veterans in the areas from which veterans are leaving and not give the resources to the areas to which the veteran population is going.

The gentleman from New York (Mr. HINCHEY), in support of his argument, has argued that the current allocation is not equitable for the Northeast; but, simply stated, this VERA formula is straightforward. It does not allow the inequities that existed in the old system. It is an equitable system. The system matches workloads with annual allocations. It takes into account numbers of basic and special care veterans, national price and wage differences in education and equipment differences.

Now, it may well be that VISN number 3 is having difficulty adopting to the VERA system, but that is because the most inefficient network is VISN 3, it is most inefficient in the country. So the VERA system does not reward inefficiency, it forces networks to develop a resource plan that makes the most of limited funds.

If we look at the historic resource consumption per patient, a standard industry measure of efficiency, it reveals that while my VISN in Portland, Oregon, which serves the West, was more than 20 percent more efficient than the system as a whole, Chicago and the Bronx were 20 percent more inefficient than the system as a whole.

The VA has, I would tell my friend, $50 million in reserve that it sets aside to address the quality of care issues associated with VERA implementation. If, in fact, the Secretary feels that the quality is being impacted, he can use this $50 million reserve to assist VISN 3 without eliminating the entire VERA system.

The VA does not know what would happen to veterans' funding if the Hinchey amendment was adopted. There is no fall-back option if the VERA system is eliminated, and that should be very much of concern to all of us who have veterans in our district, and especially those districts that are increasing in their veteran population.

The most likely option we would have would be to revert to the formula that created this massive funding shortfall in VISNs across most of the country and return then more money to the Northeast. That is not equitable to veterans. It is not equitable to veterans of the West and the South, where all the veterans seem to be moving.

If we reverted to fiscal year 1996 allocations, my VISN in Portland, Oregon, would lose $80 million. Dallas, Texas, would lose the same amount. Jackson, Georgia, would lose $120 million. Bay Pines, Florida, would lose $110 million. San Francisco, California, would lose about $50 million. And Long Beach, California, would lose some $40 million.

How about those veterans? They have needs and priorities as well, and they would be then underserved.

On the local level, what would these massive cuts mean for rural VA hospitals in the West and the South? It would mean that the uniform benefits that the VA is striving to provide would be unavailable. My local hospital in Spokane, Washington, has told me that they would have to eliminate all of the subspecialty care that they have recently subcontracted for with the new VERA dollars. So they would lose specialists in the fields of cardiology, enterology, neurology and ophthalmology.

The bottom line is VERA is equitable. Until last year, small VA hospitals across most of the country did not have the funds available to provide this care on site. The Hinchey amendment would end this specialty care. I urge that we vote against the Hinchey amendment.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the gentleman of New York's amendment to suspend the Department of Veterans Affairs Equitable Resources Allocation program, or VERA. As the gentleman may know, the gentlewoman from New York (Mrs. KELLY)

and I tried to do the same thing last year. Unfortunately, our efforts were thwarted by the Senate. We settled instead for a General Accounting Office study on the effects of VERA implementation on VISN 3, which covers parts of New York and New Jersey. This report is still not completed.

Simply put, it is my feeling that VERA is bad public policy. The program shifts money away from areas with existing elderly veteran populations and into areas with developing veteran populations. In the end, this program has done nothing more than pit veterans in one region of the country against veterans in other regions.

Let me tell my colleagues what VERA has meant for the veterans in my district in New Jersey. VERA has meant that security stations in the psychiatric ward at Lyons VA Medical Center are often empty or unmanned. VERA has meant less doctors and less nurses working more overtime to care for patients at Lyons and East Orange Medical Centers. Furthermore, I understand that the FBI and the VA's Inspector General are currently investigating alleged rapes and other alleged mistreatments or abuses of patients.

And the worst example of VERA's impact on my district happened last month. A Korean War veteran at Lyons VA Medical Center left his room, unobserved by staff because they are understaffed, and his body was found not until 2 days later, just yards away from the very building where he lived. Why did it take so long? From what I have been told, there was no money to pay the Medical Center's police overtime to search for him. Local authorities evidently were not contacted.

Unfortunately, my district is not alone. The gentlewoman from New York (Mrs. KELLY), who also represents VA medical centers, and others in this room as well have had similar experiences. At Castle Point Medical Center, a pressure ulcer patient in the long-term care unit had maggots living in his wound. A VA Inspector General's report found a large number of flies in his care unit.

The VERA program was implemented by the VA with minimal guidance by Congress. The proposal of the gentleman from New York (Mr. HINCHEY) to suspend the implementation is on target, because it will give Congress time to evaluate the program's consequences on the quality of health care for all within the system. It is our duty and our responsibility to fully explore the impact of VERA on veterans medical care.

Congress needs to exercise more oversight over the VA and VERA to prevent other egregious actions. For example, the leadership in VISN 3 in our area which covers my district returned $20 million to Washington, to the VA last year. Yet patient needs continue to be unmet and patient care suffers.

VERA is not the answer to the VA's funding problems. All VERA has done since it was implemented was to create regional battles for diminishing funds. When our Nation was at war, our veterans answered the call and placed their lives on the line to defend ours. They deserve better than a managed care system which often elevates cost savings over quality care.

Mr. Chairman, I support the Hinchey amendment and urge my colleagues to do the same.

Mrs. MEEK of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I stand to strongly oppose the Hinchey amendment. First of all, it would bar the VA from funding a system which they already have to distribute medical care equitably. The word equity is important in VERA. It is not so much where one lives demographically but this equitable distribution.

So then I want to ask the gentleman from New York (Mr. HINCHEY) and some of the people from the other areas, this has happened for the past two sessions that I have been here. The gentleman is saying that there is no equity in VERA, but what he does not tell us is that VA facilities in the metropolitan New York area, that is VISN 3, they receive an average payment for each VA patient which is 27 percent higher, 27 percent higher, than the national average. Other New York facilities and VISN 2 receive an average payment for each VA patient which is 7 percent higher than the national average.

Mr. Chairman, 90 percent of Mr. HINCHEY's district is in VISN 2, so we can see that there is some discrepancy there in terms of the equitable treatment of veterans in these areas.

The VERA system, Mr. Chairman, does make regional differences. It takes them into account by making adjustments for labor calls, differences in patient mix, and different levels of support for research and education. And VISN 3 that is in the Bronx, VA medical facilities receives an average of $5,659 per veteran patient. The national average is just $4,465 per patient. VISN 8 that is in Florida, VA facilities receive $4,076.

Now, let us face it, Congress. The veterans want to move south, the veterans want to move out west, and they bring their illnesses and their disabilities to these areas. Does that mean that we go out and recruit them like we recruit football players? No, we do not do that. They come to these areas.

And we keep saying that the medical inspector of the VA conducted a 6-month study. Well, he did, or they did, but it refuted much of the information we hear here today. Much of the Hinchey amendment's rationale is flawed when we look at the statistics that are here.

If members of the VA believe that VA medical funding in their hospitals is inadequate, the solution is to increase the funding into the medical account, not to throw out the system for the distribution of these funds. No matter what we say, there is always going to be some disagreement when there is a formula. There is always going to be one side saying that the formula is skewed one way and the other one says the other. But this has been studied, and we have some empirical data which shows that the veterans, the money, I repeat, the money should follow the veterans, not the veterans follow the money.

Now, the people in the Northeast area used to get all of the money; and in the South, we were left out. But now we see that this mix has changed. So now they want us to come back and change the system, and we just changed it I think in 1997. So why go back again?

Since VERA was implemented, VISN 8 has treated 35,000 more category A veterans. Do we know what the category A veterans are? Service-connected, low-income veterans. The Florida network has opened nine new community-based outpatient clinics in the past 2 years. Do my colleagues know why? The people are moving from the North into Florida, and we must deal with it.

VERA has supported increased expenses through the VISN, $3.5 million for prosthetic expenses. Total veterans treated in VISN 8 should reach 28,000 by the end of fiscal year 1998. Florida's veterans population is approximately 1.7 million.

Mr. Chairman, we all realize the VERA issue is a very difficult one. Our veterans population is on the move. They are moving to the southern and western States and away from the States in the Northeast and the Midwest.

This is not something that is new. These demographic changes have been going on for over a decade.

In Florida it has meant overcrowded VA facilities, lots of inadequate equipment, and long waits, because we did not have the personnel we needed to serve the large number of veterans moving to our States. In other parts of the country, it has meant empty beds, unused beds, unneeded beds. So they have had too much bedding in some of these other areas.

To hear proponents of the Hinchey amendment speak, one would think VERA is stealing health care dollars from veterans in other States. That is not right, Congress. The fact of the matter, vets are moving away, as I said. The large budgets in the VA health care facilities are no longer justified. Vote against the Hinchey amendment for fairness.

The VERA issue is a difficult one. Our veterans population is on the move; they are moving to the Southern and Western states and away from the States in the Northeast and the Midwest.

This is not something that is new; these demographic changes have been going on for over a decade. In Florida, it has meant overcrowded VA facilities; lack of adequate equipment; and long waits because we didn't have

the personnel we needed to serve the large number of veterans moving to our state. In other parts of the country, it has means empty beds, unused and unneeded capacity in VA facilities, and more personnel than warranted by the number of vets or their specific treatment needs.

To hear proponents of this amendment speak, you'd think VERA is stealing health care dollars from vets in their states; the fact of the matter is, vets are moving away from their states; the large budgets of their VA health care facilities are no longer justified; and they are complaining because cutbacks are always painful.

While I sympathize with their concerns, we must make sure that VA health care dollars follow the veterans—not the bureaucrats. The fact of the matter is that VERA provides an equitable distribution of VA health care funds, and we should all support it because it is fair—not painless, especially for those who are closing facilities, but fair.

Veterans health care is particularly important to the millions of vets in Florida—not just because we have so many veterans, but because we have so many veterans who are elderly and/or disabled.

From 1980 to 1990 Census Data, 47% of all vets to relocated to another state during the decade moved to Florida

The net gain of vets to Florida in the last decade alone (349,000) was greater than the overall veteran populations of 22 states

Florida also is home to the nation's second largest population of veterans—second only to my Chairman's state, California

Florida is home to the second largest population of veterans with a service-connected disability

Florida has the largest population of veterans with 100% service-connected disabilities, as well as veterans who have 60–90% service-connected disabilities.

I know that the VA has implemented the VERA system (veterans equitable resource allocation) to insure that VA health care resources are directed to where there are the most veterans who need these services.

I urge the members to support VERA by rejecting this most unwise amendment.

Mrs. KELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support for the Hinchey amendment. Under the Veterans' Equitable Resource Allocation plan, I have witnessed the effects of a $226 million cut to the lower New York area veterans network.

After a careful study of VERA, I have come to the conclusion that it is flawed. These flaws permeate VERA's methodology, its implementation, and especially the VA's oversight of this new spending plan. It is unfortunate that the VERA plan imposed upon our VA facilities, it is not one to provide proper funding to the VA facilities but one to steal from Peter to pay Paul or to take from some VA facilities to give to others.

A little over 6 months ago the VA released a report of its own Office of the Medical Inspector investigating reports into the reduced quality of care at Castle Point and Montrose Veterans Hospitals in my district in the New York Hudson Valley. The findings of the Office of Medical Inspector are startling and uncover a problem that we were only partly aware of.

The Medical Inspector found 158 violations of health and safety and VA codes. The most startling finding was that there was a 25 percent increase in poor to marginal care that was given at the VA hospitals in 1997 in my district.

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Let me point out that the report made continuing references to findings such as, and I quote, ''pieces of antiquated medical equipment, including those used by or on patients who were identified in the ICU.''

The report also stated that its ''Team members had observed dust, fecal stains, and urine stains on patient care unit floors. Team members noted floors, walls, and ceilings with cobwebs, windowsills covered with dirt and dust, peeling paint, broken floor tiles, crumbling cement,'' et cetera.

This prompted one of the most important conclusions of the report, again, which I quote: ''There is a great need for overall upgrading of both facilities.''

The VA inspectors also stated that they, and I again quote, ''believe that (the network) and Castle Point and Montrose leadership and management may have accelerated the pace of the integration to become more efficient in anticipation of VERA.'' In short, we were feeling the negative effects of VERA long before it was ever implemented.

When VERA is supposed to promote more efficient and effective delivery of care, I am seeing the exact opposite occur at veterans' hospitals in my area. The staff there is caring and wonderfully committed, but the VA is not supporting them.

I beseech my colleagues on both sides of the aisle to support the Hinchey amendment and to make the necessary investment into veterans' hospitals for all necessary upgrading needed in order to keep their promise of care for our veterans. The veterans of this Nation gave their best for us, and now we must do our best for them.

Mr. LEWIS of California. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I simply rise and suggest to the gentlewoman that I very much appreciate her position. Positions not entirely the same as hers are going to be expressed across the floor, I can tell, in proportionate numbers to the Members who serve in various areas of the country.

May I suggest recognizing the value of revising and extending.

Ms. BROWN of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a Member of the Committee on Veterans' Affairs, I know that VERA was developed as a way for the VA to be more efficient in providing health care for our veterans. VERA is not simply taking money from one region to another, it is a well-thought-out system, supported by our own General Accounting Office and the VA Under Secretary for Health. It recognizes that health care costs vary from region to region, and it also accounts for veterans who move to warmer climates and therefore are using Sunbelt facilities more.

In my State of Florida, the demand for veterans' health care continues to rise. Many constituents in the States of my colleagues who oppose this system have moved to Florida and very much want this system to stay in place. I support VERA, veterans' service organizations support VERA, the GAO supports VERA, the VA supports VERA. I urge my colleagues to support VERA. If there is a problem with one hospital, if there is a problem with the system, it is better to address them, than to eliminate a program that will affect veterans across the entire country.

I urge my colleagues to support our veterans and not vote for any amendment to strike VERA.

Mr. GILMAN. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. GILMAN. Mr. Chairman, I am pleased to rise in strong support of the amendment being offered by my colleague, the gentleman from New York (Mr. HINCHEY), to the VA, HUD appropriation act for fiscal year 1999. I join him in expressing strong concern for the future of VA health care, and I agree that VERA is not the proper model to use in determining future funding allocations.

While VERA was a noble effort, it has been unfairly biased against older veterans in major metropolitan areas. These older veterans are those most in need of inpatient comprehensive health care, and they have been the ones most adversely affected and impacted by VERA.

In fact, Mr. Chairman, widespread evidence of deteriorating quality of care in New York veterans' hospitals last year is proof enough that VERA has hurt too many of our veterans. The primary reasons for this is that VERA advocates a zero sum game. For veterans in the South and West who gain health care funds, veterans in another region have to lose some funding. This is being done in an environment where veterans' funding is theoretically frozen for the next 5 years.

Even with the modest increases suggested by the Committee on Veterans' Affairs, those VISNs in the Northeast will still lose a great deal of money to both VERA and annual medical inflation costs. Thus, health care for our veterans in the Northeast are going to take a double hit every year.

In VISN Network 3, the reported plans for the new VERA cuts in fiscal year 2000 will result in a $48 million cut in lower New York State. The problems with VERA are twofold.

First, since the VA means test is a national figure, there will be more category A veterans in the South and West, which have lower costs of living, than in the Northeast. This results in an inaccurate measure of demand for services between VISNs.

Secondly, VERA fails to differentiate between the types of care delivered at VA facilities. VA hospitals in the Northeast have more specialized care patients, including spinal cord injuries, mental health, AIDS, and geriatric care cases. These cases cost more than their outpatient counterparts, which are more plentiful in the South and West.

Furthermore, despite the well-publicized concerns of my colleagues, there exists no crisis for VA health care in the Sunbelt. In response to an inquiry we made on this subject last year, the GAO informed us that there was no empirical evidence that any veteran in the South or West has been denied care due to inadequate funding.

While it is true that many veterans have in the past migrated to the Sunbelt, let us note that these are predominantly well-off individuals who use private facilities or Medicare over VA facilities.

The GAO will also soon be releasing a final report on the impact of VERA on the quality of care being delivered in those VISNs of the Northeast. From the preliminary evidence I and my Northeast colleagues were made privy to during the course of my investigations, the results will not be encouraging for VERA.

Accordingly, Mr. Chairman, I urge all of our colleagues to vote for this amendment to show their commitment to our veterans, regardless of their geographic residence. The solution for VA health care is to make the pie larger, not to alter the size of the pieces after they have been cut.

Mr. SANDERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Hinchey amendment, but I must say that in many ways, this is an embarrassing and unfortunate debate. We should all be a little bit ashamed of ourselves. Veterans are not Vermonters, they are not Floridians, they are not New Yorkers, they are not Californians, they are Americans.

The fact of the matter is that over recent years, this Congress has cut and cut veterans' programs. I do not have to remind the Members here that only a few months ago we took $10 billion from veterans' programs in order to increase funding for the highway program. I think the highway program is important, and a good idea. I supported it. But they did not need another $10 billion on top of $200 billion. Yet, we lost by 5 votes the effort to retrieve that $10 billion.

Last year in the so-called balanced budget agreement we gave huge tax breaks to some of the wealthiest people in this country, and then we cut back, not only on Medicare, but on veterans' programs again. So I happen to agree with those people who say that when men and women put their lives on the line and sign the contract with the United States government, we have a moral obligation to fulfill that contract, and we have not done that. That is the most important issue.

The Northeast should not be fighting with the South. Every veteran in this country deserves quality health care, but that is what has happened, because we have cut back when we should not have cut back. This is a wealthy Nation. This is a Nation that has given huge tax breaks to those people who do not need it, and then we say, gee, we do not have enough money for veterans' programs.

In respect to the Hinchey amendment, I strongly support it, having said that. I think that the formulation in VERA is not fair to various regions of this country, and that we should support the Hinchey amendment and make what exists a little bit better. But the bottom line is we should support all of our veterans. We should increase funding for veterans' programs, and we have the resources to do that, if we get our priorities straight.

Mr. EVERETT. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. EVERETT. Mr. Chairman, as a supporter of fairness for our Nation's veterans, I rise in strong opposition to the Hinchey amendment. It is ironic that this legislation, which the sponsors say will help veterans, will end up destroying many veterans. If the Hinchey amendment is adopted, veterans across the Nation will lose newly-won equitable assets to vital medical care funds afforded to them by law.

In April of 1997, the VA implemented VERA to address medical care funding inequities in VA facilities nationwide. Since its implementation, the findings are, contrary to what we have heard on this floor, for which they say they have documentation, and I would like to see it, as chairman of the Subcommittee on Oversight and Investigations, because nobody has given it to me, but contrary to that report, the well-known accounting firm of Price Waterhouse reviewed VERA and has given it positive marks in its March report. It says that VERA was a well-designed, conceptually sound system marked by simplicity, equity, and fairness.

This positive review was conducted on the heels of another favorable assessment by the General Accounting Office in 1997 which noted that VERA is making resource allocations more equitable than previous funding systems.

Despite the evidence that VERA is working just as it was intended, the sponsor of this amendment, the gentleman from New York (Mr. HINCHEY) claims that his veterans in New York are being shortchanged. Nothing could be further from the truth. VERA is designed to factor in regional costs, such as labor, differences in patient mix, and varying levels of support for research and education.

For example, in New York, the gentleman's district, the average veteran patient receives $5,659. In my district in Alabama, which is part of VISN 7, the average patient just gets $4,300. In reality, New York's VA facilities receive an average payment per patient which is 27 percent higher than the national average.

What disturbs me even more are the charges by some in the New York delegation that somehow VERA's funding allocations have resulted in a deterioration of health care and untimely deaths in several New York VA medical facilities. These are serious charges. I would frankly like to see their proof.

It is my understanding that my colleagues from New York base their facts on a report by the VA's Inspector General as to the deaths at Montrose and Castle Point New York VA hospitals. This very report vindicated VERA in those cases. The VA's IG report even went on to specifically state there was no impact of VERA at Castle Point and Montrose concerning mortality rates. VERA was in fact not tied to any health care quality concerns at these facilities reported by the VA IG.

Further, I understand that the VA's IG report did list over 150 areas of improvement to address the problems of two New York hospitals, but none included VERA, despite what you have heard on the floor today.

As chairman of the VA Subcommittee on Oversight and Investigations, I rely on facts. I must tell the Members, there are no facts to back up the claims that VERA has adversely affected any veteran, any of my veterans or any in New York. Rushing to judgment armed with half facts serves no one's interests, especially our veterans. America's veterans deserve the very best medical care, and VERA is helping deliver it. We need to work that out.

Let me also say, I would suggest that my fellow Members of Congress visit their VA hospitals and pay particular attention to the way their money is spent. I have seen $200,000 spent for gold-plated faucets by a director, of health care money, by a director renovating his house; $26,000 for a fish tank; $100,000 for another fish tank, and by the way, in the area that they say is going to be affected, $20,000 just to keep this fish tank up every year.

Mr. Chairman, I would suggest we all take a close look at how VA spends its money. I am very satisfied with the current help I am getting from the VA on cracking down on this kind of stuff.

□ 1600

Another hospital, 63 percent occupancy. The overtime runs over a million dollars a year consistently. It is absolutely unacceptable. I urge a ''no'' vote on this amendment.

Mr. NADLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Hinchey amendment.

Let me start out by voicing my agreement with the comments of the gentleman from Vermont (Mr. SANDERS). To a large extent, this debate is taking place in a context that it should not be taking place in, the context of large cuts in veterans services.

This is the richest country in the history of the planet, but we are wasting too much of those resources, too much of government's resources which could be spent on helping veterans and on other worthy purposes, on tax breaks for the richest people in our society.

But within the amount of money we make available for veterans, the intent of VERA was to distribute the VA's resources equitably to take into account population shifts and needs in growing States. We know that and do not object to that. But the actual plan has not worked out that way.

What do we see? We see professional staff shortages due to staff buyouts, buyouts apparently pushed in order to meet VERA quotas. We see a 20 percent cut in the per patient budget. We see an increase from 17 to 25 percent in the number of deceased patients, deceased patients judged to have received marginal or poor care. Inspectors noted that this represented a sharp rise, unquote, in poor care in the period after VERA took effect.

We see decline in maintenance. We see no janitorial services on nights and weekends and other indices of poor services.

The VA has consistently maintained that allocation should be based on its computer model that says that some regions have too high a per patient cost, rather than determining why those costs are higher than average.

Mr. Chairman, if my colleagues believe in equitable treatment for veterans and quality care for all veterans, they will join us in questioning why some regions have suffered so severely since VERA took effect and in supporting the Hinchey amendment and also in increasing the overall budget.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from New York.

Mr. HINCHEY. Mr. Chairman, I thank the gentleman from New York (Mr. NADLER) for yielding me this time.

Mr. Chairman, I would like to point out that some of the remarks that were made a moment ago by the gentleman from Alabama (Mr. EVERETT) are just incorrect. It sounded to me as though they could have been written by the Veterans Administration itself.

The VA and its apologists for VERA would have us believe that VERA is an equitable allocation of resources. The fact of the matter is it is not anything of the kind. And the impact of VERA is not confined to the Northeast. The impact of VERA is spreading all across the country. We have been the guinea pig for this program. The New York metropolitan area, and the Northeast generally, has been the laboratory from whence this Frankenstein monster has originated.

But, Mr. Chairman, it is now sweeping across the country and it is going to impinge upon every single veterans hospital, with the exception of a few in a few States. Florida might not be affected, that is correct. It may not be that Arizona will be affected. There will be two or three States, perhaps, that are not affected.

But as I indicated in the my opening remarks, whether veterans are served out of the Boston headquarters or the Pittsburgh headquarters or the Durham, North Carolina, headquarters or Nashville or Chicago or Kansas City or Dallas or Denver or Long Beach or others, they are being impacted and they will be impacted more severely as time goes on.

There is nothing equitable about this distribution. It is grossly inequitable. It is horribly unfair. Contrary to what was said a few moments ago from that podium right there, we have in New York seen a 50 percent increase in mortality rates as a result of VERA.

Do my colleagues want to visit that upon their veterans in their part of the country? Do they want to see the veterans that are served out of their VA headquarters suffer the same kind of iniquities and inequities that we have seen in the Northeast? I do not think so. I do not think so at all.

Mr. Chairman, this amendment is essential. If we do not pass this amendment today, if it does not become part of this bill this year, I promise we will be back here again shortly and the number of people speaking in favor of reforming VERA and against what VERA has done will have increased by multitudes on the floor of this House.

Please, let us not have any deaths in my colleagues' regions before that happens. Let us not have veterans in their part of the country suffering the way my veterans have before that happens.

I ask my colleagues to take a precautionary move here. Mr. Chairman, I urge my colleagues to do what is right for the veterans in their areas before this suffering is visited upon them. Support this amendment.

Mr. STEARNS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to say a few things to my colleagues.

The gentleman from Arizona (Mr. STUMP), chairman of the Committee on Veterans' Affairs, is opposed to the Hinchey amendment, as well as myself, I am chairman of the Subcommittee on Health, and the gentleman from Alabama (Mr. EVERETT), who is chairman of the Subcommittee on Oversight and Investigations.

The basic reason is this would actually destroy the allocation system. The gentleman from New York (Mr. HINCHEY) knows that we beat this same amendment handily before. And to bring it up again and to try to pit the Northeast against the Southeast is not the way to solve the problem. Throwing more money at any problem is not going to solve it. I think the supporters of this amendment would be better suited and wiser to establish reforms and change and innovations instead of asking to throw more money at problems.

Every time they want to come back, they should also realize that the President's budget fell short of the recommendations made by both the House Committee on Veterans' Affairs and the Senate Committee on Veterans' Affairs. The figures that the gentleman from New York is using here in this debate are based upon the President's fiscal year 1999 budget, and those numbers are preliminary. And so the numbers that the gentleman is using are really not the accurate numbers, and I submit that to the gentleman in all deference.

Unfortunately, not all the veterans live in the Northeast. I respect the gentleman's position and the fact that he wants more money. But I also submit that the States in the Southeast have long been without money and so now they are asking for their fair share, because the veterans are moving in. In fact, there is a crisis in the Sunbelt. I think one of my colleagues on that side said there is not a crisis. We need more money, too.

In the end, all of us are going to have to come up with innovative ways to serve veterans and we will have to continue to fund them adequately. I think this bill does, out of admiration and deference to the gentleman from California (Chairman LEWIS). The gentleman has made a hard effort here. I urge all Members to support the gentleman from California (Chairman LEWIS) and support the gentleman from Arizona (Chairman STUMP) and vote against the Hinchey amendment.

Mr. Chairman, I rise to oppose the Hinchey amendment. He is absolutely correct that VERA was designed to ensure that the dollars follow the veterans.

Perhaps Rep. HINCHEY should consider that the President's budget falls far short of the recommendations made by both the House and Senate appropriators. The figures used by Mr. HINCHEY are based upon the President's FY 99 budget for VA and those numbers are preliminary. They are not our numbers—we intend to increase funding for VA and that, in turn, will ensure that the dollars will be disbursed as VERA intended—to our nation's veterans.

Last Congress, we passed the Veterans Equitable Resource Allocation or VERA system to fix a gross funding inequity.

Prior to the passage of VERA, Veterans health funds were allocated based solely on the historical usage of VA facilities, and then were simply adjusted upward each year for inflation. As a result of this system, Veterans

funding was concentrated in the densely populated Northeast.

Unfortunately, not all of our country's Veterans live in the Northeast. In fact, most now live in the previously grossly underfunded South and West.

VERA goes a long way toward fixing this inequity. Under the VERA system, workloads are matched directly with annual allocations. Furthermore, the number of special care veterans, national price and wage differences, and education and equipment differences are taken into account for funding considerations.

In other words, VERA eliminates the arcane political mechanism that forced funding into the urban Northeast, replacing it with a funding mechanism that takes reason and common sense into account to determine adequate funding amounts.

I urge my colleagues to look at the language of this amendment. It would prohibit the use of VA funding to implement VERA.

My point is, this amendment would change current law. And in doing so, would undue what VERA guarantees—that all American veterans have equal access to care regardless of the region of the country in which they live.

The bottom line is this: VERA became law during the last Congress, not by mistake, but because the funding mechanism was grossly unfair and terribly inadequate.

Put simply, attempts to dismantle the VERA funding system could potentially have an unfair impact on states such as my home state of Florida. As such, Mr. Chairman, in the quest for equality and for fairness for our nation's veterans, I urge my colleagues to oppose the Hinchey amendment.

Mr. ALLEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to be brief today, but this is an important amendment. I rise in support of the amendment offered by the gentleman from New York (Mr. HINCHEY) to prohibit the VA from using the VERA system for the distribution of funds in the fiscal year 1999.

Veterans in Maine receive their health care from one primary hospital and that is the Togas VA hospital in Augusta. I have heard statements on the floor that the VERA system is working. Maybe in some places it is working, but it is not working in Maine for the veterans of Maine.

In recent years, Togas has experienced an increasing patient load, not a declining load. And at the same time, it suffered from declining budgets and reduced staffing. The result has put a severe strain on the quality and the timeliness of care provided to veterans in Maine.

VISN 1 is the region that includes Togas. VISN 1 has seen its budget cut by over 5 percent, despite the level funding in VA. That must be distributed among the hospitals in that region, and the result is Togas in Maine has an increasing workload but a 3 percent cut in funding from over last year.

Increasing workloads with reduced budgets means longer wait times for health care, increased numbers of veterans sent out of the region to receive care, and a general reduction in staffing and health care quality.

Let me just say a word about what we hear. The gentleman from Maine (Mr. BALDACCI) and I and the two Senators from Maine spend more time on Togas than on any other single issue that we deal with. And it is not because the care is so great that no one is complaining.

Mr. Chairman, we have 100 percent disabled veterans who wait a year and a half for any attention to their dental work. We have veterans who are having a variety of different problems that take too long to provide attention. The staff is upset because they cannot provide the quality of care that they used to provide in the past.

This is having a significant serious adverse impact on veterans in Maine. We need to take a closer look at VERA. The GAO is already reviewing the VA's implementation of VERA and its impact on VA hospitals and veterans. And while we await the GAO report and examine the impact of VERA in more detail, we should delay its implementation.

One final word. Those on the other side who voted for the Republican budget resolution should think about that resolution. It includes flat funding for veterans' health care. If that is the policy of this Congress, we will be back here year after year after year arguing about this allocation among States. It is a mistake. Not only was that a mistake to cut Head Start and to cut Title I, it was a mistake to flat fund veteran's health care. We cannot keep going this way. We have a surplus. We ought to make things right for the veterans in this country.

Mr. ENGLISH of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will keep my remarks brief, but I rise in strong support of the Hinchey amendment. The purpose of the VERA methodology, as I have understood it, is to transform VHA into a fully integrated system of health care delivery that ensures that funding follows veterans. I agree with that overarching goal.

Mr. Chairman, I believe that the VA must take into account population shifts and an increase in the veterans population in certain States. But from my perspective in VISN 4 in Pennsylvania, we cannot force these changes so quickly. We need to take into account the fact that the care that veterans receive at their VA hospital cannot be jeopardized in this process.

The shifting of funds has already caused many veterans hospitals to reevaluate every dollar spent, and this has resulted in staff buyouts and budgetary shortfalls.

With regard to the comments of the gentleman from Alabama (Mr. EVERETT), whom I regard highly, I visit my two veterans hospitals on a regular basis and I have put a human face on this issue. As we debate this issue, I think it is important to remember that these veterans rely on the veterans health care system and they deserve the best quality of care possible.

Mr. Chairman, I can tell my colleagues that in Pennsylvania the reform that the gentleman from Florida (Mr. STEARNS) advocates are being implemented in our hospitals. But we have a rural veterans population. We need to give the hospitals time to bring the veterans into the system so they can justify their dollars. We need to improve utilization, and we need time to allow the veterans hospitals to do that.

To give them that time, I urge my colleagues to vote in favor of this amendment to prohibit the use of VA funds to implement VERA at this time. The fact is, it is not working, and veterans' health care is at risk.

Mr. BALDACCI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in support of the Hinchey amendment. This is an issue that is vital to the health and welfare of veterans in my district and throughout Maine and the Nation.

My concerns, of course, lie with the VERA program, as it is known, the Veterans' Equitable Resource Allocation System, and its effect on the availability, accessibility, and quality of health care offered to veterans.

These concerns should come as no surprise to any Member of this Chamber. Last year's report from the House Subcommittee on VA, HUD, and Independent Agencies appropriations expressed concern about the way the VERA system distributes resources. In particular, the committee recognized that VERA failed to adequately account for the disproportionate number of special needs veterans in the northeastern States.

For that reason, the House voted last year to request a General Accounting Office report on the effects of VERA and its implementation. The committee questioned especially the impact of quality of care for VISNs 1, 2, 3, 12, and 14. This study was expected to be completed in 4 months, but to date no report has been produced, and we are now told not to expect a report until September of this year.

Mr. Chairman, significant questions remain. One in particular was the first year the cut was 2.5 percent. This year's cut is proposed to be 5 percent, a much more significant cut, given the fact that it is all flat funded.

What the VA Togas Hospital in Maine is looking at with a $40 million budget is an $8 million cut. What that means, more importantly, to the veterans in the district I represent, which is the largest physical district northeast of the Mississippi where we are talking about 22 million acres of land, is having those people go from Augusta, Maine, to travel down to Boston, Massachusetts, in order to get an MRI examination, routine X-ray examination, having a van deliver them on a weekly basis so that they get the proper radiation treatment for their cancer.

□ 1615

We are told constantly by hospitals everywhere in major hubs that our

rural people do not need to be there, that they have the protocols for cancer treatment, chemotherapy protocols in any hospital in America and you do not have to leave your family, your home or your community in order to get that, but we require the veterans of Maine on a weekly basis to go to Boston, drive to Boston in a van to get that treatment which should be routine and should be provided.

But because of the fact of the cuts and the flat funding, they are forced to make these routine examinations and treatments to go to Boston. We do not want to see any veterans anywhere in this country be sacrificed for services that they served their country and they are owed from their country anywhere.

It has been pointed out a veteran in Maine and a veteran in California and a veteran in Florida and Texas and anywhere else should be treated with respect and care that really that we as a country owe them for what they have done for all of us.

Nobody wants to see anyone hurt. I am sure my friends that oppose this amendment would not want to see veterans and their families have to go through some of the things that they have to go through. But there is a problem here. We are asking for not only an increase in maintenance of a program that has been reducing allocations but they propose to increase those cuts over last year.

It is just unacceptable to see what veterans and their families are going through now as the system is set up to ask them to go through further hardships and pressures. I think it is just totally unacceptable. I support this amendment. I ask my colleagues to endorse this amendment.

I ask my colleagues to work together to see if we cannot make the pie larger for all of our veterans.

Mr. COOKSEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in this debate over VERA funding, we can disagree and discuss what are the most meaningful statistics and whether VA's funding formula has achieved true equity. I expect the gentleman to fight for funding for his area just as all of us fight for funding in our districts.

But we ought to stick to the facts and avoid the kind of reckless scare tactics which some proponents of the Hinchey amendment have used. Some of my colleagues from New York are actually claiming that cuts in VERA funding have resulted in the, quote, deterioration of veterans health and even the loss of life in many instances.

For example, in debate last week the proponents of this amendment claimed that, quote, many veterans lost their lives at two hospitals in New York as a result of VERA funding reductions.

That is a very serious charge. The gentleman went on to say that this assertion is substantiated by the report which was done by the Inspector General of the VA itself.

I have served on the ethics board of the Louisiana Medical Society. Allegations of patients dying are the most serious that can be made and should never be made lightly, particularly in light of what the VA report already says. In fact, the report which the gentleman from New York cited is a 6-volume, 6-month study by the VA Office of Medical Inspector. That report did document serious problems at Castle Point and Montrose, New York VA Medical Centers, including greater than expected mortality rates during the first half of fiscal year 1997.

My colleague from New York will do well to read the medical inspector's report. However, because it says clearly that VERA was not the problem, specifically the medical inspector's report states, there was no impact of VERA at Castle Point and Montrose concerning mortality rates. And the medical inspector found that VERA was not linked to any of the quality care problems at the facilities.

The medical inspector made 158 recommendations to fix the problems he found at Castle Point and Montrose VA Medical Centers. Not a single one of those recommendations called for funding adjustments for New York, let alone the dismantling of the VERA funding system.

None of us wants to minimize quality of care problems when they surface. But it is one thing to advocate for increased funding for medical care. It is quite another to make baseless inflammatory charges. And I am disappointed to see the debate move to this level.

Mr. HINCHEY. Mr. Chairman, will the gentleman yield?

Mr. COOKSEY. I yield to the gentleman from New York.

Mr. HINCHEY. Mr. Chairman, I would draw the gentleman's attention to the fact that the Inspector General's report from the Veterans Administration, although it did not specifically in that report say that VERA was responsible for the decline in the quality of care, for the decline in the quality of maintenance at those Veterans Administration hospitals, for the decline in personnel, for the misallocation of personnel, for the incompetent personnel who were there at those facilities and for the increase in mortality at those facilities, it is quite clear that all those things occurred immediately upon the implementation of VERA and continued to get worse as VERA was continually implemented.

So while I did not expect the Veterans Administration to say specifically that VERA was responsible, it does not take an awful lot of reasoning to conclude from that report that these adverse circumstances occurred shortly after VERA was put into place, and as VERA was implemented they continued to get worse.

Mr. COOKSEY. Mr. Chairman, that said, I think that we really need to look at the management. There is reason to believe there may be some management problems there. I am a physician. I know about quality of care. Too often too many decisions made by some industry, some industries that we deal with, politicians, and unfortunately we are all politicians, are not always made on what is real quality of care. I think there is good reason to look at what is going on in the management of these hospitals.

Let me bring up something that has been brought to my attention by the gentlewoman from New York. There is one administrator for all these hospitals. This system that was set up actually pays bonuses to administrators in terms of added salary for giving money back. I agree, I have a problem with that. I do not feel that an administrator should receive a bonus for depriving a veteran of health benefits. I am a veteran. We all have veterans. Veterans across the country should get good care. We should look at quality of care and some equity in the system.

Mrs. THURMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, when I came to Congress in 1992, from the State Senate, and watched in Florida the population gain of veterans in our State, it was probably one of the most compelling issues that would bring any of us here in making sure there was equitable health care for all veterans, not only in the State of Florida but across the country.

We have watched in Florida the number of veterans rising and then, on top of that, you have to add in to that the amount of veterans that come to the State of Florida during the winter months, which also pushes up our health care needs.

But I would like to say a couple of things here. I am going to take a colleague, the gentleman from Washington (Mr. NETHERCUTT) who wrote a letter to his colleagues that said, when veterans migrated to the west and the south, funding continued to be concentrated in the northeast. The VERA system was directly to match work loads with annual allocations, taking into account numbers of basic and special care veterans, national price and wage differences and identification and equipment differences. We know that there are going to be some losers under that.

He also goes on to say, and I think this is true, that all VA network administrators agreed that this reform was crucial.

I also want to take an opportunity here to just talk a little bit about what our Florida Department of Veterans Affairs put out. It says, The really important outcome is that the VA system seems to be making a genuine effort to at least begin to concentrate on what is important, that similarly situated veterans receive similar treatment. VERA is the step in that direction. That is and should remain our focus.

I think that is what this Congress needs to do, is remain the focus on why these changes were made. We all know

the migration in this country. I have to tell my colleagues, I could go through one allocation of resources in every budget in this Federal Government, whether it be Medicaid, education, whatever, that we do not get equitable treatment. For the first time in a long time this was the first chance and has been the only chance that we have actually seen these changes made.

Let me give you a fact. In Florida, we now are servicing 36,000 more veterans because of this allocation. These are not new veterans. These were not veterans that just all of a sudden showed up. These are veterans who have been standing in lines, have been waiting for the service, who have not had the opportunity to be served in the State that they live in. And these are folks that live in there.

Then on top of that in the wintertime asking them if they can get any services. It is simple service, it is not extra service. It is not the special need person. It is the simple, everyday veteran out there that wants the same opportunity as the one in New York or any place else.

I have to tell my colleagues, there is just a very fair issue here.

I would hope, and this is very difficult because to me all veterans are equal, they served this country. Many of them died for this country. They have asked for us to keep our promise. We are having to fight an issue here that none of us want to have to fight. But on the other side of it, we have to take into account the migration into the southern parts of this country, and we have to start looking at how we are allocating our dollars and making sure that those dollars go to those veterans because of where they are today.

Mr. WELDON of Florida. Mr. Chairman, I move to strike the requisite number of words.

As a veteran myself and a Floridian, I rise in very, very strong opposition to this gentleman's amendment. I want to share something with all of my colleagues, whether they are from east of the Mississippi or west of the Mississippi or north of the Mason-Dixon line or south of the Mason-Dixon line, that veterans that come into my district, let me say this, the veterans in my district, the vast majority of them are not born and raised in my district.

I will tell my colleagues where they are from. They are from Maine. They are from New York. They are from New Jersey. And they come to my district, and they want to know why they cannot get seen, why they cannot get the care that they used to get up north or up in the midwest in Florida.

Now, this amendment is a very, very simple amendment. It is a very, very common sense amendment. It says, now that we have had 30, 40 years of millions of veterans moving from the northeast and the midwest into the sunbelt, that we will finally, for the first time, put the money where the veterans are and not where the bricks and mortar is.

I would encourage all of my colleagues to remember not their provincial square on the map but the veterans themselves who fought, many of them sacrificed lost limbs in defense of liberty, in defense of freedom, in defense of our country, and put the money, put the dollars where the veterans are and not where the bricks and mortar are.

I encourage all of my colleagues to vote no on the Hinchey amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the requisite number of words.

I rise because this is a very painful discussion. It is painful because I believe that all of us who rise on the floor of the House and discuss our veterans truly believe that they are equal, as we would like all of us to be in this Nation. They have fought. They have bled. They have sacrificed. But it seems that the proponents of this particular amendment would like to say that our pain is greater than your pain.

And frankly, I was a supporter of the Coburn amendment. We do need more money in medical care for veterans. Just the other day I talked to a World War II veteran of mine who actually participated in the Japanese death march. He went to a hospital and was turned away, did not have the proper papers, the proper documentation, could not get necessary life-saving prescriptions.

□ 1630

So we have a crisis around this country as it relates to veterans. I believe we tried to do something credible about it. We instituted VERA, not because we wanted to take away from someone else's veterans. In fact, I think we should be discussing taking the surplus moneys that we seem to have found in this balanced budget and put it in veterans health and not talk about a tax cut. But VERA is the best we have got right now. If we need the facts, in 1997, the GAO reported that VERA is making resource allocation more equitable than previous systems. The VERA system takes regional differences into account by making adjustments for labor costs, differences in patient mix and differing levels of support for research and education.

What does that mean? It means that the overcrowded hospitals in our areas, people who move from the Rust Belt in the north, not that we are castigating the losses of population in our sister States, but they are coming south. What does that mean? Long, long, long lines. This has helped to bring about an equitable system, Mr. Chairman. Yes, there have been modest cuts in certain areas of the country. These cuts have been made in funding for hospitals whose patient populations have declined 20, 30 percent. This is not a reckless, random system where we do A-B-C and we pick you without any analysis. If your populations have fallen, then the moneys are distributed where there is a need.

I spoke to the administrator at my hospital in Houston, Texas, Mr. Whatley, new to the area. He says we cannot survive without VERA. Texas has got an increase in funds because of the increase in numbers of veterans. If I have got a 77-year-old World War II veteran being turned away from a hospital, we have got a real problem.

I would say to my friends who are supporting this amendment, let us work together to put more money in hospital care and medical care for veterans, period, but VERA is the best way we can to handle what we have got. Just over the last fiscal year, our hospital got 13 million more dollars to serve those in line at our front doors. In fact, VERA has helped us open community outreach centers in our rural areas. Again, this is not to claim that my pain is greater than your pain. But do not take away from us when we are suffering as well. Why do we not work together to get more dollars into veterans health care, more than even the Coburn amendment, deal with some of these surplus moneys and be fair to everyone. But right now, Mr. Chairman, it is unfair to distinguish it and eliminate it as something being wrong in the VERA reallocation process. I ask my colleagues in good faith to defeat this amendment and recognize the fairness of what we have tried to do.

Mr. STUMP. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I rise in strong opposition to this amendment. The Hinchey amendment turns back the clock to the days when the VA distributed its health care resources on the basis of where we built the hospitals after World War II. The current needs of veterans should determine how the VA allocates medical resources.

The proponents of this amendment say they do not want to start a regional fight over this, but of course that is exactly what they are doing. Congress mandated in Public Law 104–204 that VA medical resources be equitably distributed throughout the country. This was to ensure that veterans have equal access to care regardless of the region where they live. In response, the VA has implemented the Veterans Equitable Resource Allocation system, or VERA. Independent reviews by the General Accounting Office and by Price Waterhouse have validated this new system as meeting the intent of Congress. Both studies found that VERA is equitable to all veterans in the country and is a significant improvement over past allocation methods.

Mr. Chairman, I have letters from both the American Legion and the Veterans of Foreign Wars supporting this concept. I will include these for the RECORD. I urge my colleagues to vote ''no'' on the Hinchey amendment.

The letters referred to are as follows:

DEPARTMENT OF VETERANS AFFAIRS,
Washington, DC, July 17, 1998.

Hon. JERRY LEWIS,
Chairman, Subcommittee on VA, HUD, and Independent Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CONGRESSMAN LEWIS: I am writing this letter to express the Department's strong opposition to the amendment to H.R. 4194 that would prevent fiscal year 1999 appropriations from being used by the Department of Veterans Affairs for implementing the Veterans Equitable Resource Allocation (VERA) system.

The VERA system was developed in response to a Congressional mandate in Public Law 104–204. Independent reviews by the General Accounting Office and Price Waterhouse, LLP have validated the model as meeting the intent of Congress. Both studies have found that VERA is equitable and is a significant improvement over past allocation models. If VERA is stopped, then we will not be able to more equitably distribute our $17 billion appropriation for veterans' medical care. In FY 1999 alone, facilities in the central, southern, southwestern and western states will lose approximately $164 million in funding.

Enclosed is a fact sheet that in more detail describes why VERA was implemented, how VERA rectifies problems perpetuated by previous funding systems, the results of VERA to date, and external feedback about VERA which has reflected positively on its progress to date.

Thank you for your continued support of our Nation's veterans on this important issue.

Sincerely,

KENNETH W. KIZER, M.D., M.P.H.,
Under Secretary for Health.

Enclosure.

FACT SHEET ADDRESSING THE NEED TO CONTINUE USING THE VETERANS EQUITABLE RESOURCE ALLOCATION (VERA) TO DISTRIBUTE THE FY 1999 MEDICAL CARE APPROPRIATION

Issue: Amendment to H.R. 4194, which would mandate that none of the funds made available in the FY 1999 VA/HUD Appropriations Act may be used by the Department of Veterans Affairs to implement or administer the Veterans Equitable Resource Allocations system.

Discussion: The Veterans Health Administration (VHA) strongly opposes this Amendment. It would have an adverse effect on the VA's ability to equitably distribute its medical care resources and will perpetuate current residual inefficient use of taxpayers' dollars.

VERA was implemented beginning in April 1997 because: VA's FY 1997 Appropriation Act (Public law 104–204) required VHA to develop and submit to Congress a plan to allocate funds in an equitable manner. In February 1996, the General Accounting Office called for changes in VHA's allocation system. The effect of those previous systems was that dollars were spent inefficiently at some facilities, resulting in limited access and services at other facilities and an inefficient use of taxpayers' dollars.

VERA rectifies problems perpetuated by previous funding systems by:

Providing networks with two national workload prices for two types of patients—those with routine (Basic Care) and those with complex/chronic healthcare needs (Complex Care). In FY 1998, Networks receive $2,604 for each Basic Care patient and $36,960 for each Complex Care patient. This ensures that VA's special patients are funded appropriately. For example, the New York City Network (VISN 3) receives more Complex Care funds than any other VISN because they have the greatest number of special patients.

No longer basing funding on historical funding patterns but on validated patient workload and adjustments for variances in labor costs, research, education, equipment and NRM.

Adjusting network budgets to account for those veterans who receive care in more than one network.

Providing each network an allocation that recognizes its individual characteristics.

The results of VERA to-date are as follows:

For FY 1998 (the first full year of VERA), 13 networks received increases over funding levels for FY 1997. Nine networks received less funding. Network reductions were limited to 5%. Six networks saw increases of more than 10%, with the greatest at 12.3%.

Since July 1997 all collections from third party reimbursements, co-payments, per diems and certain torts are retained by the collecting network. A total of $688 million in receipts is projected to be collected in FY 1998. When estimated collections are added to VERA totals, the smallest percentage change from FY 1997 in funds available is +0.10% in network 3, while network 16 experiences the greatest percentage change in total funding with +10.38%.

With the 5% cap on losses in place, it is expected all funding inequities will be corrected by FY 2000, and VERA will have shifted $500 million across VHA's healthcare system over four years. (Most will be corrected by FY 1999.)

The graph[1] reflects that VERA is not simply moving all networks to an average cost per patient, rather it adjusts network allocations for variances in patient mix, labor costs, research and education support, equipment and NRM activities. Variances from the national average will exist because VERA allocates funds in a manner that adjusts for differences in patient mix, labor costs, and research and education support costs. Thus, even the networks that have less funding in FY 1998 compared to FY 1997 may still be provided a higher than average price than networks that receive more funding. For example, Network 3 which would receive 12.2 percent less funding under full VERA, has an average price of $5,659, which is 26.7 percent above the system average of $4,465. Conversely, Network 18 which would receive 11.4 percent more funding under full VERA, has an average price of $3,886 per patient, which is 13 percent below the system average.

External feedback about VERA has reflected positively on our progress to date:

In the Spring of 1997 Senator ''Kit'' Bond, Chairman of the VA-HUD Senate Appropriations Subcommittee said: ''. . . VA has overhauled its allocation methodology, vastly improving fairness and appropriateness with which resources are allocated to facilities . . . the new system is a tremendous step forward.

In late 1997 the GAO reported that VERA is making resource allocation more equitable than previous allocation systems.

In March 1998 Price Waterhouse LLP issued a report on its evaluation of VERA. The report concluded that VERA was a well designed system, is ahead of other global budgeting systems, and met VHA's goals of simplicity, equity and fairness. It also found that the conceptual and methodological underpinnings of VERA were sound.

Conclusion: The Amendment to H.R. 4194 is inappropriate given the accomplishments of VERA to-date. Additionally, we are maintaining a $100 million national funding reserve in the VA headquarters to assist networks in the unlikely event that the current level of patient care is threatened. The reserves will be used, if needed, to maintain the quality and level of services.

[1] Graph not reproduced.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, July 28, 1998.

Hon. BOB STUMP,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is written to express the strong opposition of the Veterans of Foreign Wars to an amendment offered by Congressman Maurice Hinchey to H.R. 4194, which would prevent VA from further implementing the Veterans Equitable Resource Allocation system known as VERA.

VERA was developed in accordance with a congressional mandate and an overwhelmingly clear need to distribute resources in a more equitable manner within the VA medical system. While still in its relative infancy, VERA has been shown to be both equitable and a significant improvement over past allocation models. If VERA is halted at this juncture, there will be no better means of distributing scarce health care resources and veterans will suffer as a consequence.

The VFW has been and will continue to carefully scrutinize the operation of the VERA system, including the establishment on September 1, 1997, of a 1–800 hotline in operation 24 hours a day for the purpose of oversight. Thus far we have recorded no undue problems associated with VERA's operation. We are convinced that this will be the absolutely wrong time to halt its operation. We urge you to oppose Mr. Hinchey's Amendment to H.R. 4194 targeting VERA.

Sincerely,

DENNIS M. CULLINAN,
National Legislative Service.

THE AMERICAN LEGION,
Washington, DC, July 28, 1998.

Hon. BOB STUMP,
Chairman, House Veterans Affairs Committee, Washington, DC.

Dear Chairman Stump: The American Legion continues to support positive changes to the VA health-care system which are intended to improve its overall operating efficiency and, thereby, be more responsive to the needs of veterans. Today, more than three million veterans across the country rely on VA as their primary source of health care, based on the current eligibility criteria. We believe millions more would like to use VA, but limited resources still forces VA to limit services and access systemwide.

Funding levels in the FY 1999 budget for VA/HUD and independent agencies, now under consideration, will be constrained by the limits imposed on VA discretionary spending under the Balanced Budget Act of 1997. This is requiring the 22 Veterans Integrated Service Networks (VISNs), rather than 172 individual medical centers, to seek greater operating efficiencies, cost containment, and increased medical care cost recoveries, while trying to provide improved service to more veterans. Even though The American Legion has a number of concerns regarding problems with funding to the VISNs under the Veterans Equitable Resource Allocation (VERA) system, we continue to support VA's efforts to modify and improve this methodology based on experience.

It is recognized that the implementation of VERA involves many difficult financial decisions for VISN officials. Some of these decisions have resulted in stress and hardship for veterans and their families, particularly in those VISNs that incurred real dollar funding reductions. Nonetheless, VERA is an important management tool which will over

time help VA meet the needs of veterans in a more efficient, effective, and responsible manner. However, these changes do not address VA's need for long-term, guaranteed financial stability which can only be achieved by combining realistic federal appropriations, broadened third party reimbursement authority to include Medicare subvention, and the development of other new funding sources.

The American Legion believes Congress has a responsibility to safeguard the fiscal integrity of the VA health care program. It must also exercise continued oversight of the changes currently ongoing within the VA medical care program and the impact of reduced funding to ensure that veterans are not shortchanged or arbitrarily denied needed care and treatment.

The American Legion appreciates your continued support of our nation's veterans and their families.

Sincerely,

STEVE A. ROBERTSON,
Director, National Legislative Commission.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words.

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

Mrs. ROUKEMA. Mr. Chairman, I really raced over here from a markup because I could not bear the thought that yet again we have to discuss a regional problem and be turning our backs on the elderly, sickest veterans in our country. I wanted to be here to strongly, for yet again the third time, I believe, during a series of debates, support our American veterans through the Hinchey amendment. We have heard about robbing Peter to pay Paul. Here this committee is proposing to rob GI Joe to pay who? I am not quite sure. In the transportation bill, we were paying for roads and taking it out of the veterans. But this VERA formula is the most egregious portion of this appropriations. Changing this formula is robbing GI Joe in States like New Jersey, and throughout the Northeast, where there are the oldest and the sickest, the people that are most dependent and most in need of this kind of care. Do not be deceived by any loose rhetoric that we have heard around here. There is no inference at all that they are overstaffed or that they have empty rooms and that we do not need it. That is a distortion of the real facts. For certain, a number of studies verify, including one by the Inspector General. There is no question but that these veterans in terms of the needs of their age group as well as the intensity of the quality of care that they need are the most needy and deserving of our veterans, those who were ready to give their lives for our freedom. Certainly gave their all, for their country in times of greatest need. I want to strongly endorse this Hinchey amendment. I cannot believe, that the committee is not open to rectifying this distortion and this abuse of our veterans and that we cannot in good faith find the money and correct this egregious abuse through the VERA formula.

To additionally make the point, Mr. Chairman, the current VERA formula is unacceptable. New Jersey and the Northeast stand to lose up to $130 million over the next three years. VERA favor veterans centers in the South and West over the Northeast. Although there are fewer veterans in the Northeast, their health problems are more expensive than the ''healthy'' veterans who retired and live in the South and West.

New Jersey has one of the oldest and neediest veteran population in the nation. Most of the veterans in the South and West do not have extensive health problems associated with age like in the Northeast. In addition, when many veterans that retired to the South and West become infirmed they find the health centers caring for veterans inadequate and return to their former homes in the northeast to receive proper medical attention. This places another burden on veteran health centers in the Northeast that was not anticipated by VERA and selfishly pits veterans against veterans in a regional fight for federal dollars. Veterans are veterans . . . no matter where they live.

The strain created by the reduction in funding is taking a tragic toll on the veterans of New Jersey and the northeast. To save money, the VA has cut back on numerous services for veterans and instituted various managed care procedures that have the impact of destroying the quality of care the veterans receive. For instance, the VA has reduced the amount of treatment offered to those who suffer from Post Traumatic Stress Disorder (PTSD) and reduced the number of medical personnel at various health centers. As a result of these cuts, there has been an erosion of confidence between veterans and the VA. This erosion threatens to destroy the solemn commitment that this nation made to its veterans when they were called to duty.

Mr. HINCHEY. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from New York, the author of the amendment.

Mr. HINCHEY. I very much thank the gentlewoman for yielding. I would like to take this opportunity to draw the attention of the Members of the House to the Inspector General report which was discussed here a few moments ago. At that time, I made the point that it was quite clear that although the report itself did not stipulate a causal relationship between VERA and the decline in quality and the increase in mortality, that it was clear to reason that one followed upon the other.

I want now to say this to my friends and colleagues here. Although the report did not stipulate that VERA was the causal effect, the author of the report, the Inspector General, said to me personally that he believed that VERA was the causal effect of the decline in quality in our veterans hospitals and that VERA was the causal effect of the increase in mortality in our veterans hospitals. That is undeniable. We have that from the mouth of the author of the report himself.

I would just like to say this, also. This amendment is about fairness. This amendment is not about taking money from one part of the country and giving it to another. This is not an amendment to hurt Florida. Yes, I listened carefully to what was said a few minutes ago by a number of our friends and colleagues from Florida who talked about the increase in the number of veterans in that State. Undeniably that is true. I addressed that, in fact, in my opening remarks. We are not denying that Florida veterans need more help and more funding because of the increase in population of veterans in that State and some other States in the South as well. What I am saying is that VERA is not doing it fairly. VERA is turning its back on the veterans in other parts of the country, not just the Northeast. I read the list to Members a couple of times. Veterans headquarters in every part of the country, from the East through the Midwest, including the South, Durham, North Carolina for example, out to Long Beach are being adversely affected. Veterans funds are being cut in every one of those regions. This amendment is about fairness. It simply says, yes, we have to recognize that we have to do more for veterans in Florida and more for veterans in Arizona and other places but let us not do it at the expense of veterans in other parts of the country.

Mrs. ROUKEMA. Exactly.

The CHAIRMAN. The time of the gentlewoman from New Jersey (Mrs. ROUKEMA) has expired.

Mr. HINCHEY. Mr. Chairman, I ask unanimous consent that the gentlewoman be given 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. SCARBOROUGH. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sometimes it is almost laughable. I am a veteran. I live here in the Northeast right now. I want fairness for veterans. There is no one that I take a back seat to on support for veterans issues or active duty military issues. But I rise in opposition to the gentleman's amendment.

Let us look at cause and effect. I am going to speak to my Republican colleagues, not even the opposition over here. Many of those that live in the Northeast are the first to support the great social programs. Look at the National Endowment for the Arts. Why do you not cut it? How about Davis-Bacon, that we can save 35 percent on all construction, but will you stop that? We could put every penny of that in veterans. And the great social programs that you support and the war on the West. So do not come to me crying that your veterans are not being taken care of.

Those that support defense, we want live veterans. Three hundred percent operation deployments above what it was during the Cold War. We are only maintaining 24 percent of our military.

That means all of them are going to become veterans. Defense cuts.

And then my colleagues on the other side from the Northeast saying, well, there were tax breaks for the rich. Now, I want to tell the gentleman, veterans benefit from tax breaks, just like anybody else. Veterans benefit from a balanced budget that most of them voted against for low interest rates, whether it is for scholarships, for homes or buying a home or just getting a double-egg double-cheese double-fryburger down at the store. And yet they cry, ''Oh, there is no money.''

So look at the cause of why we are. We pay nearly $1 billion a day on the national debt, $360 billion we could use for veterans care. But a liberal Congress over 40 years spent with big government, high taxes. And where are we now under a balanced budget? We could survive under a balanced budget, but if the President refuses to pay for 300 percent Operation Tempo, where does that money come from out of defense? It goes against our veterans. We could use the $25 billion that it is costing us in Bosnia, and we could fund every veterans program there is.

So do not come to me crying, we need to fund our veterans, or that we are cutting veterans. I want more money for veterans, but I look at the cause of why we cannot give it.

I rise in opposition to the amendment.

Mrs. MCCARTHY of New York. Mr. Chairman, I rise today in support of Representative HINCHEY's amendment to prohibit funding for the implementation of the Veteran's Equitable Resource Allocation program.

Making sure our veterans receive high quality care is one of my top priorities. This is an issue of basic fairness—when our country called on men and women to serve, they answered without hesitation. In return, we promised to take care of them when they got sick or old. Our country must honor their part of this agreement.

I often visit the Northport VA facility on Long Island and I am always impressed by the quality of health care that is available. More importantly, I am impressed by the praise the facility received from the patients themselves. As a nurse, I know that the best critic of a health care facility is its patients.

I am pleased to say that the veterans treated at the Northport facility are extremely satisfied with their quality of care. Unfortunately, I am also aware that this high quality health care is in jeopardy. In the Northeast, the implementation of VERA would result in decreased funding for our VA facilities. At this point, most of our VA hospitals in the Northeast have already cut back on spending and trimmed down. Further cutbacks in funding to our VA hospitals will come at the expense of patient care. Our VA hospitals will be forced to cut back on the bare necessities, like nursing and support staff, which we all know are the backbone of quality care. We must not allow this to happen.

That is why I rise in support of Representative HINCHEY's amendment to prohibit the implementation of the Veteran's Resource Allocation Program. This amendment will ensure that valuable resource dollars for veterans health care remain in the Northeast.

Mr. BEREUTER. Mr. Chairman, this Member rises today in strong support of the Hinchey amendment and in opposition to the Veterans Equitable Resource Allocation (VERA) system. As you know, VERA provides the Department of Veterans Affairs medical care funding to regions across the country, and uses an allocation formula that ties funding for each of the 22 geographic regions to the number of veterans that they actually serve, based on per capita veterans usage of facilities. While this sounds like fair allocation system in theory, it has detrimental effects on VA medical care in many areas of the country, especially sparsely populated areas like Nebraska.

From the time the Administration announced this new system, this Member has opposed VERA and have supported funding levels of the VA Health Administration above the amount the President recommended. This new formula has produced a 5 percent decrease in funding for this fiscal year for my state, which resulted in a $13.5 million decrease in funding distributed to my state of Nebraska. Already, we have been threatened by the closure of a major VA medical facility in my district. VERA has seriously impacted health care for veterans in the less populated states and generally ignored existing facilities such as the Lincoln VA Hospital. In fact, last February the Administration recommended that inpatient care at the Lincoln VA Hospital be terminated in the near future. While it is true that the number of veterans served at the Lincoln VA Hospital and other VA facilities in the state have decreased over the past years, as they have in most areas of the nation because we now deny most veterans in-patient care in our VA hospitals. Nevertheless, we still have an obligation to provide care to these people who served our country during our greatest times of need. There must be at least a basic level of acceptable national infrastructure of facilities, and medical personnel is needed to serve our veterans wherever they live. This Member finds the decrease in quality and accessibility of medical care for veterans who live in sparsely populated areas to be completely unacceptable.

Everyone will agree that the VA must provide adequate facilities for veterans all across the country regardless of whether they live in sparsely populated areas with resultant low usage numbers for VA hospitals. This Member strongly supports the Hinchey amendment to prevent further implementation of the Veterans Equitable Resource Allocation system. American veterans living in all areas of the country deserve nothing less. This Member asks his colleagues to support the Hinchey Amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. HINCHEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HINCHEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendment offered by the gentleman from New York (Mr. HINCHEY) will be postponed.

AMENDMENT NO. 32 OFFERED BY MR. HILLEARY

Mr. HILLEARY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. HILLEARY:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . The amounts otherwise provided by this Act are revised by reducing the amount made available for ''DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—COMMUNITY PLANNING AND DEVELOPMENT—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS, and increasing the amount made available for ''DEPARTMENT OF VETERANS AFFAIRS—DEPARTMENTAL ADMINISTRATION—GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES,'' by $21,000,000.

Mr. HILLEARY. Mr. Chairman, I rise today and offer an amendment to H.R. 4194 that will adjust HUD housing opportunities for persons with AIDS back to fiscal year 1998 levels and invest more money in the Department of Veterans Affairs grants for construction of State extended-care facilities.

Mr. Chairman, I must first acknowledge the hard work of the gentleman from California (Mr. LEWIS) and his counterpart on the other side of the aisle and the members of the committee and their staff for all the hard work on this bill. I know they did everything they could to come up with a balanced budget. I think it is pretty balanced.

But I just have one small amendment I want to make, and it is very simple. As has been said many times on the floor this afternoon, we have a severe shortage of veterans care facilities, both health care and these type of housing facilities. This program is used to provide matching grants to States to construct State home facilities, to provide a home or nursing home care to veterans. These grants may also be used to expand, remodel or alter existing facilities that provide those needs to veterans or that provide hospital care to veterans in State homes.

□ 1645

The need for veterans care facilities continues to increase at a rapid pace as the veterans population continues to age. The number of veterans 65 and over is expected to peak in the year 2000 at 9.3 million. H.R. 4194 in its present form appropriates $80 million for this program, the same as last year, while the number of veterans who need this program has dramatically risen. To fully fund the extended-care needs of our veterans in this country for fiscal year 1999 we would need $152 million.

My amendment does not even meet that level of assistance, but it does transfer $21 million toward that goal. This additional money would provide grants to assist States in constructing State home facilities. My amendment transfers $21 million from the base bill's increase in housing for persons with AIDS. My amendment does not cut dollars from housing opportunities for Persons With AIDS program. It simply freezes that program at fiscal year 1998 levels. While the number of

aging veterans who require this program continues to increase at a rapid pace, the most recent data shows that the annual number of new AIDS cases declined by 6 percent. Once again, the base bill increases funding for housing opportunities for persons with AIDS by 21 million over fiscal year 1998 levels while the base bill freezes funding for veterans housing at fiscal year 1998 levels even though the number of veterans who need this housing has increased dramatically. My amendment transfers the increase in funding to veterans housing and leaves housing for those with AIDS frozen at the fiscal year 1998 level.

I want my colleagues to know that the American Legion fully supports this effort to increase VA grants for construction of State extended-care facilities by this $21 million.

I ask my colleagues to consider what is at hand and make the right choice, and I urge a strong vote on this amendment.

AMENDMENT OFFERED BY MR. NADLER TO THE AMENDMENT OFFERED BY MR. HILLEARY

Mr. NADLER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. NADLER to the amendment offered by Mr. HILLEARY:

In lieu of the matter proposed to be inserted insert the following:

SEC. XXX. The amounts otherwise provided by this Act are revised by reducing the amount made available for National Aeronautics and Space Administration—Human Space Flight for and increasing the amount made available for Department of Veterans Affairs—Departmental Administration—grants for construction of state extended care facilities', by $21,000,000.

Mr. NADLER. Mr. Chairman, I recognize the intentions and the intelligence of the gentleman's intention to increase $21 million in funding to the veterans housing and medical care facilities. I object, however, to his wanting to take this $21 million away from the housing opportunities for people with AIDS, or HOPWA program. It is a cut in the HOPWA program compared to what the bill gives it of almost 10 percent. The HOPWA program is the only Federal housing program that specifically provides cities and States hardest hit by the AIDS epidemic with the resources to address the housing crisis facing people living with AIDS. Sixty percent of all people living with HIV and AIDS will face a housing crisis at some point during their illness because of high medical expenses and the loss of wages attendant under the disease.

Major strides, thank God, have been made in treatment options for people living with AIDS, and with these advances there is new hope. But the cost of these treatments often places people in the position to decide between essential medications and other necessities such as housing. Further, individuals who have HIV and AIDS must have stable housing, access to and benefits from complex drug treatments which often requires special dietary needs.

Medications must often be refrigerated and taken on a rigid time schedule. Inadequate housing is not only a barrier to treatment, but also puts people with AIDS at risk of premature death from exposure to other diseases, poor nutrition, stress and lack of medical care. At any given time, one-third to one-half of all Americans with AIDS are either homeless or in imminent danger of losing their homes. HOPWA answers this need.

Mr. Chairman, increasing numbers of people have AIDS in this country and increasing numbers of people every year, luckily, because of our medical advances, are surviving and living longer, and we need more money for HOPWA. A cut of almost 10 percent makes no sense.

So I would suggest, instead, and what my amendment does is takes $21 million instead away from the space station which is funded this year at 2.1 billion. So this is 1 one-thousandth, a reduction of 1 one-thousandth in the space station budget, instead of a reduction of 10 percent in the HOPWA budget.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, let me say to the gentleman I appreciate where he is coming from. It has been my intention to oppose the amendment as it is presented. If we go through with this process of amending amendments, I am not sure the chairman is going to be able to find himself in that position.

Mr. NADLER. Mr. Chairman, let me just suggest if the gentleman would accept the amendment, I would support his amendment. If he does not, I have to oppose his amendment. I think the space station, regardless of how colleagues voted on the Roemer amendment, $20 million less, $21 million less out of 2.1 billion, will not materially affect when the space station is completed; but a 10 percent reduction in HOPWA is a devastating cut, and I would ask if the gentleman would accept the amendment.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Tennessee.

Mr. HILLEARY. Mr. Chairman, I cannot accept that amendment simply because it is not a devastating cut to HOPWA. This is going to freeze it at its present level.

Mr. NADLER. Reclaiming my time, if the gentleman will not accept the amendment, I have to say a 10 percent cut is a very heavy cut. We have a choice, and I will press the amendment. We have a choice. If the amendment goes as it is, then it is a 10 percent cut to HOPWA. I do not see how my colleague can rationally say that it will make a material difference to the space station whether it gets 2.1 billion or 2.098, or whatever it is, billion dollars.

Mr. COBURN. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman from Oklahoma.

Mr. COBURN. Mr. Chairman, the actual numbers of people with AIDS in our country declined 6 percent this past year. That is a fact produced. It is because we are doing a good job on triple drug therapy and there are more people living with HIV that the actual number of people living with AIDS is down 6 percent in our country, living with AIDS.

Mr. NADLER. Reclaiming my time, Mr. Chairman, my information, and I do not have the figures in front of me, is that the number of people who died from AIDS is down, thank God, but the number of people living with AIDS is up because more people are contracting AIDS every year and fewer people are dying from it and more people are living with it.

So we need these funds.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield on that particular?

Mr. NADLER. Mr. Chairman, no, there is no point debating that specific. The fact is we have great unmet needs for housing for people with AIDS. The committee made an intelligent decision, and now to cut the budget by $21 million, by almost 10 percent for veterans needs which are also there, I do not understand the stubbornness in not accepting my amendment which I hope people will agree to. A 1 one-thousandth reduction in the space station is a heck of a lot more bearable than a 10 percent reduction in housing for people with AIDS. One doesn't really have an effect, the other has a very substantial effect, and I just hope people will think about it.

Mr. HILLEARY. Mr. Chairman, will the gentleman yield?

Mr. NADLER. I yield to the gentleman if he has a question to ask me.

The CHAIRMAN. The time of the gentleman from New York (Mr. NADLER) has expired.

(By unanimous consent, Mr. NADLER was allowed to proceed for 1 additional minute.)

Mr. NADLER. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. HILLEARY. Mr. Chairman, I was simply going to say that I think the statistic about the 6 percent decrease might not be exactly right. It is a decrease in the number of new cases, a percentage decrease in the number. It is a decrease in the increase of the number of new cases, and I just wanted to clarify that.

Mr. NADLER. Mr. Chairman, the needs in both areas are going up, and I would again implore the gentleman to accept the amendment because it will not affect the space station, 21 million, it is so tiny a percentage of it, but it will really affect HOPWA.

Mr. BARTON of Texas. Mr. Chairman, I move to strike the last word.

Mr. Speaker, I wanted to rise in opposition to the Nadler amendment and, in addition to that, enter into a colloquy with the gentleman from Michigan.

Mr. KNOLLENBERG, I have read the various ''Dear Colleague'' letters that have been distributed on the committee bill and listened carefully to the floor debate on this issue. Is it the committee's intention to limit EPA programs such as a climate challenge, the program for a new generation of vehicles, green lights, energy start and other programs that Congress has funded in the past?

I raise this issue because these programs have increased energy efficiency over the range of U.S. energy in industrial sectors of our economy. It would not seem that it was the intent of the legislation to report language or limit these activities.

Mr. KNOLLENBERG. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Michigan.

Mr. KNOLLENBERG. Mr. Chairman, I appreciate the opportunity to respond to the gentleman's inquiry about this legislation because there has been a great deal of misunderstanding and mischaracterizations regarding the real-world results it might have on EPA.

We need this provision in order to assure that EPA does not undertake back-door implementation of the Kyoto Protocol. This is a strong setup of the House based on the debate that we have had. We have seen a trend where EPA is beginning to interpret existing statutes overly broadly and to even create new interpretations of current law. These examples have come out in oversight hearings in both the House and the Senate.

The main purpose of the legislative and report language is to ensure that existing regulatory authority is not misused to implement or to serve as a future basis for the implementation of the Kyoto Protocol in advance of its consideration and approval by the Senate of the United States. We are not trying to cripple or to cancel existing energy conservation programs or to curtail research development and demonstration programs for new, more efficient technologies or to undermine existing environmental law. We are only trying to keep EPA honest.

That is our job in Congress, to conduct oversight hearings and to make sure that the Federal agencies live by the letter of the law and the Constitution and to ensure taxpayer money is spent wisely.

Mr. BARTON of Texas. Mr. Chairman, I would ask the gentleman from Michigan if the Senate has taken a similar position in their VA appropriation bill.

Mr. KNOLLENBERG. I would be pleased to respond to that.

The Senate does indeed have a similar position dealing with this issue. In fact, Senator CHAFEE, the chairman of the Senate Environment Committee, stated in a colloquy with Senator BOND, that was during the debate on the VA-HUD appropriations, that he agreed. And let me stress this point: He agreed 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 U.S. Senate.

Both the House and the Senate strongly concur in that position, so it is a bit of a red herring for people to say that this legislation will hamstring EPA or hinder energy conservation and greenhouse gas reduction programs that are ongoing.

Mr. BARTON of Texas. I understand that there is more concern about the report language in this bill than the legislative language. There seems to be various interpretations of the report language.

Mr. KNOLLENBERG. The report language simply tries to clarify that EPA has been pushing the envelope with various activities that have been portrayed as being educational in nature but have, in fact, become Kyoto Protocol advocacy activities. We wanted to make it clear that EPA should not be engaged in advocating for implementation of the Kyoto Protocol, or through its so-called outreach activities that would actually implement the protocol. It was not our intention to stifle discussion about potential climate change, scientific give and take, research or general educational efforts regarding global climate. This report language was never intended to muzzle EPA. It was, however, needed because we wanted to clear the EPA and the CEQ, but there is a fine line between education and advocacy, and that the EPA should not cross that line.

The gentleman from Wisconsin (Mr. OBEY) made this quite clear during the debate on this amendment.

Mr. BARTON of Texas. Mr. Chairman, to summarize, I appreciate the gentleman's clarification. I agree that EPA should not be stopped from fostering legitimate scientific research and balanced public debate on this issue because there is still much to be learned in this area. During our numerous congressional hearings on this issue, the administration has not been willing to engage in this debate.

For example, we have yet to receive an authoritative analysis of the economic impact of the Kyoto Protocol reflecting all of the constraints on possible emissions trading. As chairman of the Subcommittee on Oversight and Investigations of the Committee on Commerce, I look forward to working to assure that the administration, EPA and CEQ understands this guidance, and I thank the patience of the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield to the gentleman from New York (Mr. NADLER) by chance?

Mr. BARTON of Texas. Mr. Chairman, I yield to my good friend, the gentleman from New York.

Mr. NADLER. Mr. Chairman, I am informed that the chairman of the subcommittee would probably oppose the Hilleary amendment, in fact, I think he said that on the floor but I was not listening carefully enough, if we withdraw this amendment to the amendment.

So, Mr. Chairman, I ask unanimous consent to withdraw the secondary amendment on the understanding that we will have support in opposing the Hilleary amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The amendment offered by the gentleman from New York (Mr. NADLER) to the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) is withdrawn.

Mr. STOKES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Tennessee (Mr. HILLEARY). I cannot support reducing the amount provided for housing opportunities for people with AIDS, as the Hilleary amendment proposes to do.

□ 1700

Last year's appropriations bill provided a 70 percent increase for this program. This year, we simply held the program constant at the higher amount. It is also true that the committee did recommend an increase for the Housing Opportunities for People With AIDS Program.

This year's recommended increase is about 15 percent, and it follows smaller increases or freezes in the preceding years. Why did the Committee on Appropriations consider it so important to provide a modest increase for HOPWA? Quite simply because the need for this program is great and continues to grow each year.

The number of Americans living with AIDS continues to grow. One reason for this is that the number of new cases remains substantial. More than 60,000 last year. Another important reason is that advances in medicine are making it possible for people with HIV infections to live longer. That is wonderful news, but it does mean that, every year, there are more people living with AIDS who may be in need of our help.

One measure of the need for this program is the number of State and local governments that qualify for HOPWA grants. Almost all funding under the HOPWA program is distributed through a formula based on the number of AIDS cases.

When the number of cases in a State or metro area crosses a specified threshold, that State or locality becomes eligible for HOPWA grants. The number of jurisdictions qualifying has risen from 80 last year to 88 this year and is expected to rise to 96 next year.

In this context, the funding increase provided in the bill seems quite modest. Between 1977 and 1999, the number

of States and localities qualifying for HOPWA money will increase by 20 percent while the funding will increase by only 15 percent.

That increase is not enough to fully accommodate the newly qualifying States and cities, let alone the workload increases in those places already receiving grants. The Hilleary amendment would cut the 2-year funding increase to just 4 percent, plainly inadequate in the face of the rising need.

Some may ask, why do we have a special housing program for people with AIDS? The answer is that we have a special AIDS-related program because AIDS creates some very special and particularly urgent housing needs.

A number of people living with AIDS are already homeless. Many more face the imminent threat of losing their homes, either because of discrimination or simply because the combination of declining earnings and escalating medical expenses makes housing unaffordable without some help.

At the same time safe, decent, and stable housing is essential to maintaining health and to undertaking the complex medication and treatment regimes that offer the best hope of survival.

But we do not just maintain the HOPWA program out of compassion, although that would be reason enough. The program also makes sense as a matter of economics. It has been estimated that about 30 percent of the HIV patients in acute care hospitals in any given time are in the hospital only because there are no appropriate community-based residential alternatives.

It is far less costly to help someone live in a residential environment with access to supportive services than to have them in and out of emergency rooms and hospitals.

This supportive housing, as funded under the HOPWA program, helps save health care dollars while helping people live healthier, happier, and more productive lives.

In short, HOPWA is a program that makes sense. The modest increase recommended by the committee is more than fully justified by the rising need. We should not eliminate this increase. I urge defeat of the amendment.

Ms. PELOSI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Speaker, I rise in opposition to the Hilleary amendment which would take much-needed funds from the Housing Opportunities for People With AIDS, the HOPWA program.

I am sympathetic to the gentleman's concerns about the funding for the veterans program that benefits from this amendment, and that is why I wish that the 602(b) allocation for this particular appropriations bill could be larger.

I sympathize with the attempt on the part of the gentleman from New York (Mr. NADLER) to say we respect the need that the gentleman from Tennessee (Mr. HILLEARY) points out, but recognize that this is also a bad place to take the funds. As the distinguished ranking member has said, it is a good investment in health. It saves taxpayers' dollars and, indeed, it saves lives.

I feel very partial to the Housing Opportunities for People With AIDS legislation because the gentleman from Washington (Mr. MCDERMOTT), the gentleman from New York (Mr. SCHUMER), and I were the authors of this legislation on the Committee on Banking and Financial Services or the Committee on Banking, Finance, and Urban Affairs years ago. It has been a successful program that has deserved continuing support of this House under the leadership of the gentleman from Ohio (Mr. STOKES) and now under the distinguished chairman of the committee, the gentleman from California (Mr. LEWIS).

Mr. Chairman, I am pleased to yield to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague from California yielding to me.

I have before me a ''Dear Colleague'' that is signed by most of those Members who have spoken today regarding this matter on the floor. There is a broad bipartisan understanding of the challenge that AIDS provides for our entire society, and I must say that this particular housing problem is a very, very difficult one. I want to associate myself with the remarks of the gentlewoman from San Francisco, California and appreciate very much her position.

Ms. PELOSI. Mr. Chairman, I thank the gentleman and his opposition to the Hilleary amendment when he is associating himself with my remarks.

Mr. LEWIS of California. I certainly agree with the gentlewoman's complimenting the concern of the gentleman from Tennessee (Mr. HILLEARY) about deference problems; but, the challenge that we have relative to funding these problems that HOPWA programs address deserves our support. Thereby, I oppose the amendment.

Ms. PELOSI. I thank the gentleman for the clarity of his statement, for his leadership on this issue, and for the hard work that he has put into this important VA–HUD bill. He sees the whole picture. He knows the value of this HOPWA program. He has followed it over the years. So I am very, very pleased with his clear statement and the remarks of the distinguished ranking member, the gentleman from Ohio (Mr. STOKES).

It is clear that, by reducing HOPWA's funding by $21 million, this Hilleary amendment would deny housing assistance to more than 4,800 people. It would result in the withdrawal of program support for an estimated 3,800 units of housing, including funds for rental assistance and homelessness prevention.

If one has HIV, if one is HIV infected, the last thing one's immune system needs is the additional stress of homelessness or the threat of homelessness.

We will hear today, Mr. Chairman, that the HOPWA funds may not be necessary because the annual new number of AIDS cases is declining. The reality is that the need for this housing continues to grow, as does the epidemic, as the ranking member pointed out. In the 1997 reporting period, CDC reported 60,634 new cases, to be precise, in the United States.

HOPWA funding is primarily allocated on a formula basis. Almost since its inception, funding for HOPWA has not kept pace with the number of new communities eligible for HOPWA funds. I would like to name what those communities are for 1999. FY 1999, it is expected that seven communities, Birmingham, Alabama; Buffalo, New York; Honolulu; Wilmington; and the States of Arizona, New Mexico, and Utah will become eligible for HOPWA funds, and five other States: Hawaii, Delaware, Minnesota, Nevada, and Wisconsin, which would otherwise have lost funding due to their urban areas qualifying separately under the formula.

As a result of the good news of the success of powerful drugs fighting the virus, the number of people living with AIDS is increasing dramatically. But so are their needs. In 1997, the number of people living with HIV increased 13 percent. But in order for the drug therapies to work, people need the stability of having a home.

Some of the people on the AIDS drugs must take as many as 40 pills a day at regular times. People cannot comply with the rigors of these drug regimens if they are homeless, moving from shelter to shelter, or trying to cope with impending homelessness.

The number of people living with AIDS has increased by 13 percent. It is important to remember who benefits from HOPWA funding. HOPWA funding is for people with HIV/AIDS and their families. About 25 percent of recipients of HOPWA funds are family members who reside with persons with HIV/AIDS. Over 96 percent of the families and individuals who received HOPWA assistance were households with incomes of less than $1,000 a month.

I know it is difficult for many of us to vote against something for the veterans, but I urge my colleagues to understand what this need is. Many of the people who benefit from the funds are veterans.

Vote ''no'' on the Hilleary amendment.

Mr. DELAHUNT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as others have indicated, this amendment would strike funding for programs that are, not only compassionate, but are cost effective. In short, it is working. I am at a loss to understand why anyone would want to undercut it.

The sponsor of the amendment says he wants to redirect this money to veterans' health care programs but who

does he think these funds are benefiting now? Because it is important to remember that roughly 30 percent of the homeless in America are veterans, and many of these are numbered among the 100,000 to 150,000 veterans who are living with HIV.

These are the very people that HOPWA serves. It helps them live longer and stay healthier. It spares States and localities the far greater costs of hospital and emergency room care to which they would otherwise be forced to turn.

If this amendment succeeds, thousands would be forced to choose between paying their medical bills or paying the rent. Many would end up in acute care hospitals at a cost 10 to 20 times that of the housing and services that they would receive in a HOPWA-funded residential facility.

The rest could find themselves huddled in homeless shelters and sleeping on grates.

Mr. Chairman, I associate myself and welcome the remarks of the other speakers and am pleased to hear the distinguished gentleman from California (Mr. LEWIS), the chair of the subcommittee, will oppose this particular amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, will the gentleman yield?

Mr. DELAHUNT. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman very much because I quickly want to associate myself with the gentleman's remarks because I was here previously on the floor of the House discussing the question about the needs of veterans.

I do want to say that this is a difficult and very wrenching decision. The gentleman is right, 100,000 to 150,000 of our veterans are living with HIV. I know that many of our veterans are homeless.

Another point I wanted to raise, many people living with AIDS are suffering housing discrimination. People do not want them around, and the idea of HOPWA is to provide clean, secure housing that these people who have been in the past looked at as being contagious or not wanting to have people around them and being isolated or rejected from normal housing situations, to be able to have good clean housing. As you well know, the increase in minority populations also require this kind of housing.

I would simply say that we are making a wrenching decision that really would be more hurtful, hurtful to veterans living with AIDS, hurtful to new populations and other States that are being grandfathered in and other States like Utah that are being added in, and I would hope that we would defeat this amendment, recognizing how crucial it is to be able to provide for these people living with this disease and living longer.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in reluctant opposition to this amendment. I have always supported the highest possible spending levels for veterans programs, but unfortunately we should not be pitting one important program against another and that is what this amendment does by cutting the housing opportunities for people with AIDS, the HOPWA program, by $21 million.

Mr. Chairman, the HOPWA program has strong bipartisanship support. It is the only Federal housing program that specifically provides cities and States, those that are hardest hit by the AIDS epidemic, with the resources to address the housing crisis faced by people living with AIDS.

In fact, the gentleman from New York (Mr. NADLER) and I circulated a Congressional letter to appropriators urging increased funding for HOPWA and this letter was co-signed by almost 100 Members of both parties.

It is true that the number of AIDS-related deaths has begun to decline thanks to dramatic new treatments and improvements in care. However, HIV/AIDS remains a major killer of young people. It is the leading cause of death for African and Hispanic Americans between the ages of 25 and 44.

The high cost of the new treatments has often forced people to decide between essential medications and other necessities, such as housing. Further, stable housing is critical to the success of the drug regime. The medication often must be refrigerated and taken on a rigid time schedule.

Without adequate housing, people with HIV/AIDS may not only be unable to adhere to the strict regimen required but premature death may result from poor nutrition, exposure to other diseases and the lack of medical care. At any given time, one-third to one-half of all people with AIDS are either homeless or on the verge of losing their homes.

HOPWA addresses this need by providing reasonably priced housing for thousands of individuals and yet the demand far outstrips the supply. HOPWA gives cities and States the ability to provide community-based cost effective housing and, in so doing, reduces the number of people who would otherwise end up on the streets or in acute care facilities.

□ 1715

At a daily cost of $1,085 per day under Medicaid, acute care facilities are far more expensive than HOPWA community housing, which averages $55 to $110 per day. Nationwide, HOPWA saves an estimated $47,000 per person per year in emergency medical expenses.

Contrary to the assertions that there is a reduced need for HOPWA funding, HUD has estimated that an additional seven to ten jurisdictions will qualify for HOPWA funding during fiscal year 1999, a program that already serves more than 52,000 individuals in 88 jurisdictions, 59 metropolitan areas, and 29 States.

To prevent cuts to qualifying jurisdictions, the bill's level of funding is needed. It is important to realize that the increase in HOPWA spending in the bill simply maintains current services for qualifying jurisdictions. It is important to recognize that between 100,000 and 150,000 veterans currently access some level of HIV-AIDS services, and many of these veterans are also eligible for housing assistance under HOPWA.

Mr. Chairman, I will certainly work in conference to ensure that veterans' housing is increased. However, this funding offset is unacceptable, and I must reluctantly oppose the amendment. I hope my colleagues will do likewise.

Mr. McDERMOTT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong opposition to the Hilleary amendment. While I recognize the urgency of housing for our Nation's veterans, robbing Peter to pay Paul is not the way to go.

The Hilleary amendment would take away $21 million earmarked for the Housing Opportunity Act from the 1999 budget. This is a bill that, as the gentlewoman from California (Ms. PELOSI) said, we started a long time ago. And I think we ought to acknowledge the gentleman from Texas (Mr. GONZALEZ), who really was the man who was in charge of the committee when we were on it; and when we told him about this idea he said, it sounds like a good idea.

While supporters of this bill will argue that we are not cutting HOPWA per se but rather freezing it at the 1998 levels, I would argue that an increase is what is actually needed to provide adequate housing for people living with AIDS, many of whom are veterans.

As my colleagues have heard, what the gentleman fails to recognize is the dramatic increase in the number of veterans with AIDS. There are 100,000 to 150,000 people in this country who are veterans who have HIV. 17,000 of them are taken care of in the VA system, and roughly 30 percent of the homeless in the United States are veterans.

Now, with the advent of new drug therapies, new hope is offered to people with HIV. However, these therapies are not available to everyone, especially the homeless. Strict regimens and a proper diet are mandatory for these drug therapies to work, and people with inadequate housing are not good candidates for such therapy.

This was one of the suggestions of the Reagan Commission on AIDS. There were five suggestions, and one of them was HOPWA. The reason they suggested it is because when one has AIDS, one has a weakened system, and if one does not have anyplace to live, one winds up in a shelter.

Now, if one goes into a shelter and one sleeps in a big room with 200 or 300 people and one has no defense system, one picks up every disease in the world, so one then gets sick and winds up

back in the hospital. And every big city hospital in this country has had the experience of getting somebody with AIDS up and stabilized and ready to go out but knowing if they put them out of the hospital they will be back in in worse shape. That is what this program is really all about. We are not talking about people who have not served their country.

HOPWA really is a link between housing and health care. And if one looks at the numbers, one would say, well, AIDS is declining in this country; but, actually, the HIV infection rate in selected groups continues to rise. Tragically, that epidemic is increasing among the low-income communities where homelessness is a reality or it is one paycheck away.

HOPWA helps fund a variety of AIDS services throughout Washington State, not just in the district where I come from, but from the Sean Humphrey House in Bellingham in the district of the gentleman from Washington (Mr. METCALF); Three Cedars in Tacoma; the Tamarak House in Yakima, which is in the district of the gentleman from Washington (Mr. HASTINGS); and the Bailey Boushay House in my district. HOPWA is used by housing authorities in Spokane, Tacoma and Seattle. So it is distributed across our State; it is not just in the big cities.

Mr. Chairman, I have always been an advocate for the Nation's veterans, and it is critical that we ensure adequate health care and housing for them. However, cutting the one is the wrong way to get the other.

Mr. Chairman, I urge my colleagues to vote against the Hilleary amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee (Mr. HILLEARY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. HILLEARY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 501, further proceedings on the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) will be postponed.

Mr. DOOLEY of California. Mr. Chairman, I move to strike the last word.

I would like to engage the gentleman from California (Mr. LEWIS), chairman of the subcommittee, on a matter of importance to my district in the San Joaquin Valley of California.

The agricultural communities along Interstate 5 in the San Joaquin Valley face chronically high unemployment rates that are, in part, as a result of uncertain water supplies. A coordinated water resources management plan that makes the maximum use of available supplies must be a central feature of any environmental protection or economic development initiative in the arid Central Valley.

A partnership of public and private interests in the I–5 corridor has proposed a Water Resources Assessment Plan that will centralize information on the region's surface and groundwater supplies. This information will include assessments of water quality conditions, wetlands, riparian habitat and domestic industrial water needs.

I look forward to working with the chairman and the gentleman from Ohio (Mr. STOKES), the ranking member, and the conferees in trying to identify funding for this important effort.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DOOLEY of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the comments of the gentleman from California (Mr. DOOLEY). I will be glad to work with him on this very worthy project and plan to talk with him between now and conference as well.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time in order to engage in a colloquy with the chairman of the subcommittee and potentially with the ranking minority member.

Legislation was enacted in 1996 to amend the Safe Drinking Water Act and to inject more common sense into the process of testing and treating our Nation's drinking water. This Member is concerned, as a representative of the State that has the largest use of groundwater for its public water supplies by far in the Nation, with only 7 out of some 700 or 800 systems using any surface water. I am concerned that the Environmental Protection Agency's groundwater rule may be ignoring congressional intent. Specifically, the EPA may attempt to implement a rule which would result in enormous disinfection costs for small communities, but with no actual benefits to the citizens of those communities.

In recognition of the general good quality of our Nation's groundwater, the excellent existing State water quality protection programs, and the expense and other complications of unneeded treatment, not to mention questions about whether or not some of the treatment agents themselves are threatening the health, the Safe Drinking Water Act of 1996 provided the EPA with only the authority to promulgate regulations requiring disinfection as a treatment technique, as necessary, and I stress the words ''as necessary,'' for all public water systems using groundwater. Therefore, this Member would request that the chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations enter into a colloquy on this matter.

Mr. Chairman, is it the committee's intention that a small community using groundwater should not be subject to EPA-directed improvements unless the community's groundwater poses a genuine health risk?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, yes, it is.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman.

Is it also the committee's intention that EPA should work to develop a groundwater rule which gives the States adequate flexibility in developing preventive measures?

Mr. LEWIS of California. Mr. Chairman, let me say to the gentleman I appreciate his bringing this problem to my attention and the committee's attention. It is our intention to not only be responsive to that problem but to have as much flexibility as possible in dealing with those communities' problems.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman. I would say to the distinguished gentleman I appreciate his clarification, and I appreciate the fact that the subcommittee's report language also addresses this subject.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague's concern.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER:

Page 91, after line 3, insert the following:

SECTION 425. The Administrator of the Environmental Protection Agency, in consultation with the National Academy of Sciences, shall expedite a review of scientific literature concerning the health effects of copper in drinking water. The Administrator of the Environmental Protection Agency shall assemble a team of technical and policy experts from the Agency's Region 7 Office and headquarters to work with Nebraska state officials to help identify and clarify measures to meet requirements of the Copper Rule where central treatment of groundwater is not cost effective. The Administrator of the Environmental Protection Agency shall expedite clinical research studies regarding the health effects of copper in drinking water. The Environmental Protection Agency shall use the results of its review of scientific literature and clinical studies of the health effects of copper in drinking water to review the National Primary Drinking Water Standard for copper pursuant to section 1412(b)(9) of the Safe Drinking Water Act.

Mr. WAXMAN. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) reserves a point of order.

Mr. BEREUTER. Mr. Chairman, I understand that the gentleman is reserving a point of order, and this is straightforward legislating on an appropriation bill if it were to be accepted. I understand that fact.

I have two amendments filed, I would say to my colleagues on both sides of the aisle, that indeed are in order. One simply forbids the use of funds to implement the copper rule, and the other takes $15 million out of the administrator's office. Both are in order. I would prefer not to offer them.

I gave my colleagues some indication of why this is particularly important to my State. I want to tell my colleagues that the Republican Attorney General of Nebraska is filing or has filed a lawsuit on this issue. The Democratic governor is supporting that lawsuit and requesting relief for more than 60 communities in our State that are affected by the copper rule, and the entire Nebraska delegation in both Houses are very much involved in trying to find a solution to this issue.

In fact, I believe that the amendment offered here might well be acceptable to the EPA and to the appropriators and authorizers on both sides of the aisle as report language, but what the administrator wants to avoid is any kind of statutory direction, and I think that is what it comes down to on this amendment. But I do think it is better to have that statutory language than report language which seems sometimes to have little impact upon the Environmental Protection Agency. And I think I would say to my colleagues it is better to accept this amendment than having one of the two other amendments that are in order and which are not subject to a point of order.

Unfortunately, the EPA is moving forward in implementing a regulation, despite the lack of any convincing evidence of adverse health effects which would justify its current course of action. As a result, the current regulations will result in enormous costs for water systems across the country, even though it is unlikely to result in any health benefits.

Obviously, communities do not have unlimited financial resources, and money spent on compliance with the copper rule is money that cannot be spent for other necessary community needs. The costs are significant for all communities, especially the smaller ones. As a result, it is crucial that this rule be implemented only if it is supported by solid, objective and scientific research.

The EPA's current standard relies on what seems to be almost anecdotal evidence rather than scientific studies. For instance, one of the studies cited by the EPA involved nurses who became ill after consuming cocktails which were mixed and stored in corroded copper-lined containers. It is important to emphasize that this so-called copper problem is generally the result of the corrosion of copper household plumbing, rather than by copper in the community's water sources.

In addition, copper concentrations from plumbing result from water setting in copper pipes for many hours and the level drops dramatically after the tap has run for several seconds.

□ 1730

The commonsense solution to any potential problem related to copper concentrations from plumbing in the house is to have consumers simply run the faucet for less than a minute for the first time the water is used in the morning, and that eliminates the problem or reduces the copper level below the 1.3 or even below the 2.0, 3.0 milligrams per liter, whatever standard or copper action level you might wish to choose.

To help compensate for the dearth of scientific research on the issue of copper in drinking water, the Centers for Disease Control and Prevention were commissioned to conduct new and more comprehensive studies. One was conducted in Nebraska and the other in Delaware. The studies are expected to be published soon. They have not been peer-reviewed. That is the problem at this point.

The interim CDC report on the Nebraska study concluded that ''People were not experiencing G.I.,'' gastrointestinal, ''illness related to the level of copper in their drinking water, even though in 51 of the selected homes drinking water levels were greater than 2 times the EPA action level the year prior to the study.''

A similar study in Delaware which had even higher copper concentration levels also found that the water was safe for drinking. Correspondence from the EPA concerning the Delaware study acknowledges that ''Study results suggested no meaningful differences in the symptoms typically associated with copper toxicity between the control group, those not exposed to copper in drinking water, and the group with high copper levels of 5 milligrams per liter.''

That 5.0 level is much more than what is being proposed here by the EPA in the way of a copper action level—1.3 milligrams per bites. That is on the ''first draw sample.''

The EPA rule establishes an action level for copper and drinking water of 1.3 milligrams per liter. Yet our Canadian friends and the World Health Organization says it should be at 2.0. They also provided for a risk margin at that level, as well.

Copper in drinking water is generally caused by household plumbing, as I said, rather than water source. In addition, copper concentrations result from water setting in copper pipes for many hours, and the level drops dramatically after the tap has been run for several seconds.

I could give the Members some statistics about a number of our communities.

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. BEREUTER. Mr. Chairman, in one of our communities, a community of 23,000, the estimated initial cost would be $1 million for water treatment equipment, $250,000 per year for treatment. Unfortunately, it would result in no health benefits. That community has wells in 14 different locations. None of them are interconnected. There is no central point for decontamination, disinfection, or copper treatment. That is a very typical situation in our State. We are unique in that respect. We have the largest groundwater supply in the continent.

Although this Member is obviously most familiar with the problems in our communities, it is important to keep in mind that dozens of States will be affected by this rule. If Members have not heard from communities in their districts, they should expect in the near future to hear from them as the EPA pushes for enforcement.

This Member has had repeated contacts with the EPA on the issue dating back to 1993. Unfortunately, the EPA has resisted a commonsense approach, and this Member has come to the conclusion that Congress must act to correct the situation. This amendment does not go nearly as far as I would like, but it does require them to move ahead in consultation with the National Academy of Sciences to find a proper copper action level.

I want to thank the gentleman from Florida (Mr. BILIRAKIS) for his work and the work of his staff with me in trying to find some accommodation on this issue.

Mr. BILIRAKIS. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I am pleased to yield to the gentleman from Florida.

Mr. BILIRAKIS. Mr. Chairman, I thank the gentleman for yielding.

As the gentleman knows, the original amendment that he is planning to offer was an amendment that I was prepared to oppose very, very strongly, because we, the majority and the minority, worked awfully hard for a long time to come up with the Safe Drinking Water Act, and now, just a short time afterward, it looked like attempts were made to change that.

But we have pointed that out to the gentleman, and we had tremendous cooperation in trying to work this out. Actually, the language we did work out would not have changed, because there was never any intent on our part to change, the Safe Drinking Water Act in any way whatsoever. It was just basically to focus on the fact that there is a problem in Nebraska in expediting a review, and asking the EPA to use the results of its review pursuant to the appropriate section of the Safe Drinking Water Act.

So whereas I suppose technically it is legislating on an appropriations bill, there is really no intent to do that, or to change the Safe Drinking Water Act in any way whatsoever.

Again, I appreciate the gentleman's understanding and cooperation. I would hope that the Environmental Protection Agency would see that we are focusing on this, even though we certainly do not intend to change the Act.

Mr. BEREUTER. I am pleased to have the gentleman's comments. I appreciate his assistance.

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for yielding. I know the gentleman is trying to deal with a very real problem in the gentleman's State.

As I understand it, the language that the gentleman has worked out would be acceptable to the Administrator in the report of this legislation. But the Administrator is reluctant to have the precedent of having this language inserted in the statute itself.

The gentleman expressed his concern that perhaps the report language would not be taken seriously, and statutory language would be necessary to accomplish the goals. I would point out to the gentleman that if the Administrator is supporting this language——

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 2 additional minutes.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, as I understand it, the Administrator is willing to commit to follow the language that we would seek to have in the report. The gentleman has more assurance than simply report language, because the one to whom it is directed is promising to carry it out.

The subsequent point I want to make is that just last week, as we discussed this bill, we had a heated debate over whether the report language that I and others were trying to strike in the appropriations bill would be taken seriously and we had assurances from the Chairman of the Appropriations subcommittee that report language is not binding, but we were concerned that the report language would be intimidating to the EPA, and that we did not want that report language to go forward.

So my point to the gentleman is that I regret that I am going to have to make the point of order, but I would have hoped that this could have been in the report, and that the whole issue might have been avoided.

Mr. BEREUTER. Reclaiming my time, I thank the gentleman for his understanding of the concern that we have in our State. It is not our State alone, but we have a more severe problem with it, there is no doubt about it, because of our groundwater dependence and the corrosive impact of copper in the house pipes.

I would say to the gentleman, perhaps he could help this gentleman understand, since we are legislators, what the difficulty is in us legislating some advice on the kind of studies that are necessary, since we are not changing the copper standard, since we are only asking them to proceed at the same time with studies to be done in consultation with the National Academy of Sciences?

What is there about the precedent of having some statutory direction that is so offensive to the administrator?

Mr. WAXMAN. If the gentleman will continue to yield, I think the concern the Administrator has, and I think it is a legitimate one, is that if we start legislating on specific problems in appropriations bills——

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(By unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, the concern is that once we have that precedent, we will have a never-ending series of small changes that people will try to make in our laws—whether it is the drinking water law or some other statutory environmental legislation.

So for that reason, there is this reluctance to accept this proposal offered as bill language.

Mr. BEREUTER. I thank the gentleman for his comments. I think we are in the business of making judgments as legislators over appropriate kinds of initiatives by Members trying to take the interest of their constituents to heart. If statutory direction is a bad idea, if it does damage in a national sense to priorities, then the gentleman has a right to object. That is his responsibility. I see no reason why that would happen in this instance.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, if we were in a position of having this item considered as part of the report language, I could tell the gentleman that I would work directly with him between now and the time we go to conference to try to find a way, with our colleagues, to accommodate the gentleman's problem.

Mr. BEREUTER. I thank the gentleman. I know that he is sincere in this, but perhaps the gentleman himself knows that the entire Nebraska delegation has met with Ms. Browner and people under her in the last several weeks.

Mr. LEWIS of California. If the gentleman will yield further, I would mention to the gentleman that I believe the Senator from the gentleman's State is a member of the committee, and will be participating in the conference as well.

Mr. BEREUTER. I wish that was the case, but my senior Senator gave up his position to go to the Senate Finance Committee.

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. BEREUTER) has expired.

(On request of Mr. WAXMAN, and by unanimous consent, Mr. BEREUTER was allowed to proceed for 1 additional minute.)

Mr. WAXMAN. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I want to join with the gentleman from California (Mr. LEWIS) in making my personal commitment to the gentleman as well that if we can work on this as report language, we will do everything that both of us can to make sure that the goals the gentleman wants are accomplished.

Mr. BEREUTER. Reclaiming my time, if the gentleman persists in his point of order and I proceed with what I think is necessary, I assume the gentleman's commitment is still there to work with me.

Mr. WAXMAN. I want to be as helpful as I possibly can.

Mr. BEREUTER. I thank the gentleman.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California (Mr. WAXMAN) insist upon his point of order?

Mr. WAXMAN. Yes, Mr. Chairman, I would insist on it.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) is recognized on his point of order.

Mr. WAXMAN. Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law and constitutes legislation in an appropriations bill, and therefore violates clause 2 of rule XXI.

The rule states, in pertinent part, ''No amendment to a general appropriations bill shall be in order if changing existing law . . . .'' This amendment gives affirmative direction, and in effect imposes additional duties, modifies existing powers and duties, and I therefore ask that the amendment be considered out of order.

The CHAIRMAN. Are there other Members who wish to be heard on the point of order?

If not, the Chair is prepared to rule. The Chair finds that the amendment explicitly places several new duties on the administrator of the Environmental Protection Agency. As such, the amendment proposes to legislate on an appropriation bill, in violation of clause 2 of rule XXI. Accordingly, the point of order is sustained.

Mr. BROWN of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, my remarks here directly relate to the point of order and to other similar situations which have arisen during the course of this and other appropriation bills.

The rule with regard to legislating on an appropriation bill has been with us in the rules of the House for quite a long period of time. It was originally put there in order to distinguish between the role of the Committee on Appropriations and the rest of us peons who only serve on authorizing committees, and do not get a chance to do the heavy lifting that is involved in distributing the money, like the appropriators do.

I have frequently had reason to raise points of order about legislating on appropriation bills as it involved the work of my own committee. There has been a propensity to insert in appropriation bills funding for research projects which were not authorized, and a number of other things of that sort.

I did this to the point where I made myself obnoxious to my friends on the Committee on Appropriations for a period of several years, and I have ceased to pursue that as actively as I once did, because I began to recognize that there were many legitimate reasons why there should be or could be legislation on an appropriation bill.

The standards for what are the appropriate reasons for having legislation on an appropriation bill are extremely vague. I can think of a number of good reasons in my own case, and involving the Committee on Science, we have a problem getting the Senators to enact authorization bills, for example. That is because the Senate rules have allowed Members who serve on the Committee on Appropriations to also serve as chairmen of authorizing committees, something they cannot do in the House of Representatives.

These Senators have a very strong interest in doing things efficiently, so they do it on the appropriation bill and leave the authorizing bills sort of hanging out to dry over there in the Senate. This is not the way the system is supposed to work.

In the case of what is going on in most instances here in the House, authorizing on an appropriation bill constitutes the fastest and most efficient way to get action accomplished on something that needs to be accomplished or should be accomplished. I think that is a legitimate reason to have an exception to the rule, to have a waiver. These waivers, of course, are frequently granted by the Committee on Rules to include situations where there seems to be a good reason to have such a waiver. But there is, again, no standard as to when waivers will be granted.

Many of the amendments that we have considered here are an effort to legislate on an appropriation bill by Members of the House who are not appropriators, but they see an amendment to the appropriation bill as the fastest way to get action.

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This was the case with the sleepwear amendment as I recall, and it comes up very often.

Now, there are cases in which waivers are not granted; and, of course, in that case any Member can raise a point of order against language in an appropriations bill and we end up with in some cases half or 75 percent of an appropriation bill being ''stick it'' and we go to conference with no House position. That is not sound legislation, it is not efficient, and we need to think this through.

Now, I am not proposing a solution, but I am saying that this matter has gotten to the point where I think at the beginning of the next session of Congress there ought to be responsible Members who look at the problem and come up with reasonable solutions, which might include having authorizing committees ask the appropriators to include legislative language on an appropriations bill in order to move something through the other body that needs to be moved. That would seem to be reasonable to me. It is completely different from what we do now, but I have found that the whole system works better when there is close cooperation between the authorizing committee and the Committee on Appropriations.

At the present time, that exists in some cases; it does not exist in other cases, and we need to regularize that. We need to have a regular order under which we can understand what is appropriate and what is not appropriate.

Mr. Chairman, I make this brief statement in order to alert my friends to the fact that if I am so blessed as to return to this great body I may propose such a change in the rules.

AMENDMENT NO. 29 OFFERED BY MR. SCARBOROUGH

Mr. SCARBOROUGH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. SCARBOROUGH:

At the end of the bill, insert after the last section (preceeding the short title) the following new section:

SEC.—. None of the funds made available in this Act may be used to carry out Executive Order 13083.

Mr. SCARBOROUGH. Mr. Chairman, President Clinton signed Executive Order 13083 on May 14, while out of the country, and we believe it is a serious affront to the Federalist framework established in the United States Constitution. It could potentially lead to the abuse of power by individual agencies as they attempt to interpret this Executive Order.

The order establishes broad, ambiguous, and we believe unconstitutional tests to justify Washington bureaucratic intervention in matters that are typically left to State and local communities. Neither the Constitution, the Bill of Rights, nor the Federalist Papers even remotely justify Executive Order 13083 or its expansion of Federal regulatory activity.

Back in 1987, President Ronald Reagan signed an Executive Order which this Executive Order reverses. In the Reagan Executive Order it stated, ''The constitutional relationship among sovereign governments, State and national, is formalized in and protected by the tenth amendment to the Constitution.''

President Reagan also said, ''It is my intention to curb the size and influence of the Federal establishment and to demand recognition of the distinction between the powers granted to the Federal Government and those reserved to the States or upon the People.''

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, the gentleman and I have had a chance to discuss this amendment. I discussed it with the gentleman from Ohio (Mr. STOKES) as well. While we will need to massage this as we go towards conference, we are inclined at this point to accept the amendment.

Mr. SCARBOROUGH. Mr. Chairman, reclaiming my time, I thank the gentleman from California. And if no one is willing to object to it——

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. SCARBOROUGH. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, the amendment is also acceptable to us.

Mr. ARMEY. Mr. Chairman, I rise in support of the Scarborough amendment to curtail funding for Executive Order 13083, President Clinton's efforts to grab power from the states in the name of ''federalism.''

Ronald Reagan had it right. In 1987, President Reagan reaffirmed the principles of federalism—that powers not explicitly given to the federal government are reserved for the States and individuals.

The specifically enumerated federal powers that are designed to limit Washington's power is the very cornerstone of our fundamental liberties. It is at the heart of what the American people expect from Washington—respect for their rights to know what's best for them—without Washington interference.

Unless we preserve a healthy balance between the States and the federal government, we risk the creation of a government that is beyond control, one insulated from the will of the people. It is for that reason that our Constitution lays out enumerated powers of the federal government—powers given to it only by the people in the nation. It was the genius of the founders—a way to ensure that no leader pandered away the wealth and resources of the nation.

In fact, a central theme of our 1994 ''Contract with America'' was the return of power to the States and the revival of federalism. The nation responded, with overwhelming enthusiasm.

I was astonished to learn that on May 14th, President Clinton issued a new Executive Order that overturns Ronald Reagan's 1987 federalism Order and repudiates a principle so deeply held by all Americans.

I was pleased to read in today's Washington Post that OMB has decided it errored in its federalism executive order based on unanimous opposition from states, cities, and counties. I commend Chairman DAVID MCINTOSH for his hearing that demonstrated this opposition yesterday.

This amendment is still a valuable message to send the White House, and I commend the leadership of my colleague, JOE SCARBOROUGH.

I hope the committee will accept this amendment. I urge the committee, in the

strongest possible terms, to retain this amendment as they work with the Senate and come to a final resolution on this appropriation bill. Congress must also be clear in rejecting this effort by the Administration to change longstanding federalism principles.

Is there a more fundamental guarantee of liberty than this check on federal powers?

President Clinton's pronounced exceptions to federalism swallow up the principle with nearly one bite.

Paul Begala, one of President Clinton's advisors, in talking about President Clinton's increased use of Executive orders, was quoted as saying, ''Stroke of the Pen. Law of the Land. Kinda Cool.''

Kinda Cool, Mr. Begala? With a stroke of the pen, President Clinton undermined the foundations of federalism. With a stroke of the pen, he repudiated a time honored, fundamental principle that rules this nation. By a stroke of the pen he gave a green light to future unwarranted and unconstitutional national regulatory powers and actions. With a stroke of the pen, he may have done irreparable harm to individual rights and liberties.

As President Reagan would say—''Well, there they go again.''

President Clinton is starting to demonstrate a comfort level with an unprecedented use of executive branch powers—trying to effect policy without going through the regular, time-consuming legislative process, where the American people are represented, negotiations occur and laws are made.

The Wall Street Journal labeled this phenomenon on July 8th in their lead editorial, as ''King Clinton.'' The editorial says we are witnessing ''a Presidency that has attempted to build between itself and the other branches a kind of moat of nonaccountability. . . . If it receives subpoenas, it rejects them or files lawsuits against them. Raw background files on hundreds in the political opposition are summoned from the FBI. . . . If Congress balks, overleap it with whatever executive order is needed, to satisfy the courtier constituencies.'' The editorial goes on to say, [it is time for the Congress] ''to act as a check and balance on the assertion of the royal prerogatives.''

Executive Orders, Presidential Memorandums, Presidential Decision Directives and Proclamations can sometimes have tremendous policy impact on the nation, yet they do not require the approval of Congress. They do have the force of law. These legal tools are not mentioned in the Constitution, but have grown up based on the implied powers inherent in the grant of ''executive power'' to the President in Article 2, section 1. President Clinton seems bent on using his powers until someone says stop.

The federal courts have stopped this President from legislating through Executive orders before. Who recalls President Clinton's Executive Order to forbid government contractors from hiring permanent striker replacements? There, the courts found the President had overreached.

Who recalls the Federal ''land grab'' in Utah? 1.7 million acres—by ''presidential proclamation.''

What about the stroke of a pen addition of ''sexual orientation'' to federal anti-discrimination laws? All other ''protected categories'' were put into this Executive Order because Congress had passed a law for them—race, gender, ethnicity, religion, handicap, and age. Previous efforts along these lines were based on statute, not political pressure and pandering. If this is the right thing to do, let's do it the right way—through the legislative process, where the American people have a voice.

Then there is the dangerous manipulation or disregard of the Constitution's wording when it comes to the census, as President Clinton pursues a politically motivated concept of sampling, rather than actual counting of people. The Constitution is a restraint on government power, but not for this team in the White House.

Consider the many legal maneuvers we have seen from this White House—all in efforts to escape scrutiny. Using taxpayer funded lawyers oftentimes, this President is undermining executive branch accountability by invoking novel and frivolous constitutional privileges—with the ultimate effect of hiding the facts from the public.

Who can forget the attempt to escape questioning by the Paula Jones attorneys by the claim that this President was ''on duty,'' in accordance with the Soldiers and Sailors Relief Act? And, how can this President have such disrespect for the Secret Service that, instead of asking them to tell the truth, he seeks to establish a new ''protective function'' privilege, risking the making of bad law to save himself from potential embarrassment?

Who isn't appalled at the efforts by Clinton allies to intimidate political opponents or witnesses? Where is the outrage about the fact that we now know that this White House has an ''enemies list'' and that research on those enemies is bought and paid for by the President's lawyers?

In summary, Paul Begala may think this is ''kinda neat,'' but President Clinton is running roughshod over our Constitution.

As for the Congress, it is time to make a stand. There is an abuse of power occurring that can no longer be tolerated.

It is time for the Congress to say, ''enough is enough.'' In representing the American people, you and I are far too familiar with the fact that compromise and negotiation is difficult and slow—yet, it is the very hallmark of divided federal government. Lawmaking and the process of making laws occur here, Mr. President, not with the stroke of your pen.

A vote against the Scarborough amendment is a vote for another form of government; it is a vote against the Framers' vision of how we were to preserve our liberties.

I urge my colleagues to vote yes to affirm the federalism principles that Ronald Reagan articulated.

Mr. BARR of Georgia. Mr. Chairman, today I ask my colleagues to send a clear message to the White House that our venerable Constitution is alive and well, if not at 1600 Pennsylvania Avenue, at least here in the People's House. Especially, that the principles of the Tenth Amendment endure.

On May 14, from Great Britain, President Clinton issued Executive Order 13083 which completely undercuts the notion of federalism that forms the basis of our entire system of government. This Executive Order deeply undermines, if not obliterates, the Tenth Amendment to the United States Constitution.

Congress must stop the White House by responding aggressively and quickly. Blocking this unconstitutional Executive Order on federalism is essential. If we fail to act by August 12, 1998, the Order will go into effect; no ifs ands or buts; and regardless of what promises or platitudes are issued by the Administration.

As most of us are aware, in 1987, President Ronald Reagan issued Executive Order 12612, reaffirming the principles of federalism and the powers reserved to states and individuals as outlined in the Tenth Amendment.

Ronald Reagan's Executive Order which is explicitly repealed by President Clinton, detailed that the federal government was given few, limited, and enumerated powers. Reagan's Executive Order served as a limitation on Executive Agencies, not an accelerant on their work, as proposed in President Clinton's order.

In the Constitution the Framers granted specific federal powers, and outlined when the government legitimately may exercise its authority.

They did not intend the federal government to exercise authority over the states, local communities, and the people except in very limited and clearly delineated circumstances, such as a national currency, or customs matters.

The Executive Order which will in effect have the force of law if we don't stop it, lists several, all-encompassing ''exceptions'' under which the powers of the states and the people could be abrogated by any federal agency at any time; ignoring and overriding the Tenth Amendment.

Some individuals, I presume we will hear from today, will argue this Executive Order constitutes nothing more than the President's opinion and does not carry the force of law. These individuals are wrong.

Congess must stop the Clinton Administration practice by responding aggressively and quickly. This amendment today will be the first step to block this unconstitutional Executive Order on federalism.

This reflects a systematic, very conscious political plan by this Administration. A recent New York Times article noted that some of President Clinton's ''closest advisers deeply pessimistic about the chances of getting major legislation passed during the rest of the year, Mr. Clinton plans to issue a series of executive orders to demonstrate that he can still be effective.''

The President's recent actions raise a bright crimson flag signaling just what he thinks of the office of the President.

I have already heard from hundreds of individuals from around the country, outraged over this Executive Order.

It is time for this Congress to focus the political issues for the public. Today we take the first step to bring back the Framers' principles of checks and balances.

This is not a theoretical debate. The consequences of our failure to act will be real, immediate, and continuing; from taxes levied by federal agencies with no congressional authorization, to international agreements being forced on state and local governments without any advise and consent by the Senate.

The Clinton Administration believes power should be given to, taken by, and retained in Washington. They believe in a top-down governing structure—not the bottom-up structure clearly envisioned by our Founding Fathers and by many of us in this Chamber. Power comes from the individual not the Federal Government.

I rise in support of the Gentleman from Florida's amendment and ask my colleagues to support this important issue.

Mr. MCINTOSH. Mr. Chairman, I was outraged by President Clinton's recent Executive Order (E.O.) 13083 which revoked President Reagan's historic Executive Order on Federalism issued in 1987. President Reagan's order provided many protections for and reflected great deference to State and local governments.

By stark contrast, President Clinton's order, issued without prior consultation with State and local governments, betrays and repudiates an 11-year tradition of trust and mutual consultation between the States and the Federal Government. In its place, President Clinton's order lays the groundwork for an unprecedented Federal power grab in virtually every area of policy previously reserved to the States under the Tenth Amendment.

On June 8, I wrote President Clinton that ''I could not understand how you, as a former Governor, could willingly abandon the protections accorded the states since 1987 from unwarranted federal regulatory burdens.'' Prior to the new order's revocation, there were ''important constraints on federal regulatory power by requiring a minimum of federal intrusion and substantial deference to state governance. With E.O. 13083, you have swept away these limitations on the power of the federal government.'' I stated my belief that the bottom line is that the new order would wreak havoc on the balance of power envisioned by the Constitution between the States and the Federal Government.

On June 10, my subcommittee called the National Governors' Association (NGA) to ascertain NGA's views of the new executive order. Shockingly, NGA's Executive Director was totally unaware of the order. NGA learned about it first from my staff!

Apparently, the Clinton-Gore White House had neither consulted with any of the seven principal State and local interest groups prior to issuance of the new order nor notified them about it after its issuance. The way they went about this executive order belies any claim that the Clinton Administration intends to consult with State and local governments.

On July 17, leadership of ''the Big 7''—the governors, the state legislatures, the cities, the counties, the mayors, the city/county managers, and council of State governments—wrote the President requesting that the new order be withdrawn. They wrote ''we feel that Executive Order 13083 so seriously erodes federalism that we must request its withdrawal,'' which should occur ''as quickly as possible.''

Although the President has agreed ''to delay implementation of the Executive Order . . . and to make changes where appropriate,'' at this point, frankly, there is no change that will repair the damage to the President's credibility that has resulted from the stealth issuance of this order.

It takes a lot of nerve for a president, while out of the country, to issue an order that completely reverses an 11-year commitment to the States and gives federal regulators sweeping new justifications for interfering with State affairs, but giving the States: no advance notice of the order; no opportunity to comment; and no voice in a decision that will drastically upset the constitutional balance of power between the States and the federal government.

In this climate of bad faith, the States are extremely reluctant to entrust their social, moral, and financial destiny to an Administration that governs by midnight decrees issued on the fly.

Yesterday, I chaired a hearing to examine (1) the potential impacts of President Clinton's Executive Order on Federalism on State and local governments and (2) the need for a possible legislative solution to address the concerns of State and local governments. This hearing allowed key State and local elected officials to voice their concerns and former and current Administration officials to express the rationales for their Federalism executive orders.

To ensure that the States' constitutional rights and protections are guaranteed, the only sure path at this stage is to enshrine the principles of Federalism in law and not leave them to the President's whim. By repealing the protections afforded in earlier executive orders issued by President Reagan and reaffirmed by this President, President Clinton has demonstrated that he cannot be trusted to defend the States against an ever-expanding federal bureaucracy. Congress must take responsibility and pass new legislation that will codify federalism principles.

Vote yes on the Scarborough amendment.

Mr. DELAHUNT. Mr. Chairman, I rise in strong opposition to the amendment.

I happen to support the San Francisco policy. I believe that companies should provide benefits to the domestic partners of their employees. And I think it is reasonable for a local jurisdiction to choose to award county contracts to companies whose practices conform to local civil rights policies.

But it really doesn't matter what I think about this policy, or any other * * * you think about it. The only opinion that matters is the opinion of the citizens of San Francisco.

With all due respect to the gentleman from California, where did he get the idea that Congress has the right to step in and nullify the contracting decisions made by locally-elected leaders?

This Congress has told local governments what to do about a lot of things. We have used federal grants to dictate local policies regarding abortion and contraception, educational standards, and juvenile crime. The list goes on and on.

Whatever one may think about these federal mandates, most of them can claim at least some tenuous connection to the national interest.

But what possible national purpose can we have in telling the County of San Francisco how to award its contracts? Next, we'll be placing street lights and directing traffic.

I think that if members of Congress want to try their hand at local government, they should run for mayor. Otherwise, they should content themselves with governing the country.

We have no authority to tell the people of San Francisco—or any other locality—whom they should select to perform their public contracts. I know of no legitimate national interest that can justify this kind of incursion into state and local prerogatives.

Many groups, including the National Association of Counties, have expressed alarm over this amendment. It is a feeling we all should share.

Let's defeat this outrageous amendment, and get back to the business we were sent here to do.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. SCARBOROUGH).

The amendment was agreed to.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I did not want to interfere with the progress of the gentleman from Florida (Mr. SCARBOROUGH), but I did want to underline the significance of this to Members.

As I understand it, we have now adopted an amendment that acts against the President's Federalism order. That is relevant, because I have been told, by looking at the work of the Committee on Rules, that when we do the Commerce, Justice, State appropriation, an amendment will be offered by the gentleman from Colorado (Mr. HEFLEY) which would cancel an Executive Order involving the civil service and discrimination and will also include this.

So I do want to make it clear now to Members that having adopted this amendment today, which cancels the Federalism order, when the vote comes on the amendment of the gentleman from Colorado which deals with sexual orientation and the executive branch, it will have a part dealing with Federalism which will be moot. That is, the Federalism part of that amendment, of the Hefley amendment, will now not mean anything. So the Hefley amendment is now back to its original form before it was transmogrified by the Committee on Rules.

Thus, and I want to stress this again because it did get a little complicated, it is a little late, people may be getting low blood sugar and may not be paying attention, we now have adopted an amendment which, to the extent that we can, cancels the President's Federalism order. I was not in favor of that. I tried to yell loud, but nobody heard me.

On the other hand, what it means is that when the Hefley amendment comes before us, even though it will purport to deal both with the question of sexual orientation in the Executive Order on the civil service and with anti-Federalism, it will in fact be solely on sexual orientation, because the Federalism part will be redundant and it will, therefore, have no role whatsoever in the debate.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do this as a courtesy to the House to give plenty of notice as to what my motion to recommit will be, if we ever get to that point tonight.

Let me explain briefly what it will be. There are provisions in this bill which, in essence, prevent the Consumer Product Safety Commission from enforcing new regulations with respect to fire retardant furniture. Language was adopted to this bill which will prohibit the enforcement of provisions that are designed to protect people from flammable furniture. So I will simply be offering a motion to strike the sentence beginning on line 7

on page 55 and strike section 425 of the bill.

Mr. Chairman, I will be doing this, frankly, because I think this proposal in the bill is masquerading under false pretenses. Supporters of the provision in the bill will be saying, well, what is more reasonable than simply providing more time for the study of the matter before the Consumer Product Safety Commission can take up a new rule?

What I think would be more reasonable is that we quit allowing lawyers to jerk this Congress around and get to the point of actually protecting the public from a serious safety hazard.

I want to say, Mr. Chairman, this is going on governmentwide, whether we are talking about consumer products and pajamas for children, or whether we are talking about flammable furniture, or whether we are talking about OSHA in its efforts to try to protect workers from repetitive motion injuries. In each case, we have got smart law firms in this town who put together a case on behalf of their clients. They go to a friendly Member of Congress or a friendly committee or a friendly Chamber of the Congress, and they say, ''Boys and girls, why don't you help us out? Shield us from regulatory action.''

Well, when we shield them from regulatory action, we really expose the general public and workers in this country to dangerous products, dangerous work facilities, and the result is injured workers, the result is injured children, and in some cases we have the death of children and the death of consumers.

So, Mr. Chairman, it just seems to me that this Congress is going to have to make a choice. We are either going to stand with the law firms that advocate for these special interests or we are going to stand for the public that we are supposed to represent.

So, I will be offering that motion at the proper time and wanted to give the House notice of that fact now.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have an amendment Number 20 which would stop the promulgation of the copper rule. I am not going to offer it, because of my concern of what it would do in some places where the copper rule needs to be applied.

I have heard the assurances of the gentleman from California (Mr. WAXMAN) and the gentleman from Florida (Mr. BILIRAKIS) and the gentleman from California (Chairman LEWIS) of the appropriations subcommittee, and I take those assurances for cooperation. And next year, I will be back to cut the $15 million out of the administrator's office, a very tempting target, if necessary.

Mr. MCINTOSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, very quickly, the language of this bill on the Kyoto Protocol was wonderful. I wanted to engage in a quick colloquy with its author, the gentleman from Michigan (Mr. KNOLLENBERG), about a couple of the provisions in that language.

Mr. Chairman, I would ask the gentleman, do those activities include drafting, preparing, or developing rules, orders or decrees, or work such as preparing notices or other language or studies that would be used to justify rules, orders, or decrees that would implement the Kyoto Protocol?

Mr. KNOLLENBERG. Mr. Chairman, if the gentleman would yield, the gentleman is correct.

Mr. MCINTOSH. Mr. Chairman, would this language also prohibit the finalization of any rules——

POINT OF ORDER

Mr. OBEY. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. OBEY. Mr. Chairman, we did not hear that exchange. I would like to have the question repeated.

The CHAIRMAN. The gentleman is correct. If the Committee would be in order, the gentleman from Wisconsin (Mr. OBEY) and all gentlemen and gentlewomen deserve the opportunity to be heard.

If the gentleman from Indiana (Mr. MCINTOSH) would repeat the question.

Mr. MCINTOSH. Mr. Chairman, the question was: Do those activities regarded in the Knollenberg amendment include drafting, preparing, or developing rules, orders, or decrees, or work such as preparing notices other language or studies that would be used to justify rules, orders, or other decrees that would implement the Kyoto Protocol?

Mr. KNOLLENBERG. Yes, those regulatory activities would be precluded.

Mr. MCINTOSH. Mr. Chairman, would this language also prohibit the finalization of any rules, regulations, or orders implementing the Kyoto Protocol prior to Senate ratification, whether or not authorized by current law?

Mr. KNOLLENBERG. Mr. Chairman, yes; and when and if the protocol were ratified after full and open discussion by the Senate, these provisions would be void.

Mr. MCINTOSH. Mr. Chairman, I would ask what this funding restriction would not do. Does it limit funding for balanced education activities that are not propaganda advocacy or lobbying?

Mr. KNOLLENBERG. No, it does not.

Mr. MCINTOSH. Mr. Chairman, what about legitimate climate science and research and development activities?

Mr. KNOLLENBERG. Mr. Chairman, I would tell the gentleman that those activities are still funded and encouraged. In fact, we have increased funding for the global climate change research account within this bill by $10 million.

Mr. MCINTOSH. What about existing programs and ongoing activities to carry out the United States voluntary commitments under the 1992 Climate Change Convention?

Mr. KNOLLENBERG. The United States will live up to its commitments.

Mr. MCINTOSH. So what we are really talking about here is just stopping action by EPA to implement the protocol prior to ratification, not legitimate programs or education or research?

Mr. KNOLLENBERG. Mr. Chairman, the gentleman again is correct. And we have good reason to be concerned about EPA's back-door regulatory actions. EPA has repeatedly sought to expand its authority to restrict greenhouse gas emissions where no such authority exists.

Mr. MCINTOSH. We cannot allow EPA to circumvent our constitutional process through such action.

Mr. KNOLLENBERG: I agree. The Kyoto Protocol is a flawed treaty. Our only safeguard against a flawed treaty is our constitutional process.

Mr. MCINTOSH. Mr. Chairman, the language of the gentleman from Michigan is crucial to prevent back-door regulatory implementation. I thank the gentleman for bringing it.

Mr. KNOLLENBERG. Mr. Chairman, I rise to thank my colleagues, Representatives OBEY and MCINTOSH, for their discussions on the House floor regarding the fine line between education and advocacy efforts conducted by the Environmental Protection Agency (EPA). I have ongoing concerns that some of the EPA's education activities at times crossed that line and became advocacy efforts.

Mr. OBEY offered an apt description of education when he explained to Mr. MCINTOSH during the debate over his amendment, and that his amendment clarifying the DPA's ability to conduct educational outreach was meant to allow only those activities that were objective in nature and presented both sides of the issue in a factual manner.

In my view, much of the EPA's past problems have stemmed from its inability to present information in an objective and balanced manner. If information is presented without allowing the airing of both sides, it ceases to be education, and becomes advocacy. There is a fine line between education and advocacy, and the EPA must recognize this distinction and refrain from crossing this line.

So, I thank the gentleman from Wisconsin for helping me to make this very important point. It is my hope that the Obey amendment will help clarify what is the necessary role of the Administration, and compel the EPA to promote balance and objectivity in all its future activities.

Mr. WAXMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I listened carefully to the colloquy that just took place and I want to point out that that colloquy may reflect the views of the two gentlemen who entered into it, but I do not think they accurately reflect the views of the House.

□ 1800

Last week the House adopted an amendment to the Knollenberg language that came out of the Committee on Appropriations, an amendment offered by the gentleman from Wisconsin (Mr. OBEY). The Obey amendment made it quite clear that the EPA would not be precluded from doing studies and

educational efforts, that the House did not want the Knollenberg language to be interpreted so narrowly, and so I do not know whether that colloquy was an attempt to make some legislative history, but I just want to use this opportunity to point out that I do not think it reflects the views of the House.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, let me simply say that the only use of any colloquy, if they have any use at all, is to explain legislative history. If readers of the RECORD want to know what the legislative history is, they need to read more than the comments of two Members of the Congress who agree with each other, who get up for 2 minutes and think that they have taken a public opinion poll.

The fact is that the Knollenberg amendment has been modified by the Obey amendment, and it seems to me that there is no accurate description of what that amendment means, as amended, unless all parties to the action actually have a consensus.

Mr. WAXMAN. Reclaiming my time, Mr. Chairman, I would point out that the gentleman is absolutely correct. I do not think that the Knollenberg language, as amended by the gentleman from Wisconsin (Mr. OBEY) would preclude the EPA from developing any information they need to permit an adequate ratification debate and to express their views on such a debate on behalf of the administration.

Mr. MCINTOSH. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Indiana.

Mr. MCINTOSH. Mr. Chairman, let me say it certainly was not my intention and the intention of the gentleman from Michigan (Mr. KNOLLENBERG) to modify the legislative intent as expressed by this body with the Obey amendment. There was much debate during that time about those activities that would be allowed and the difficulty of defining the line and when it became advocacy.

I think the debate that we had on the House floor the other night, the gentleman is correct, accurately reflects the legislative history regarding that amendment, and that is incorporated into the Knollenberg amendment.

We were merely exploring other provisions, not intending to rewrite any of the legislative history regarding the Obey amendment.

Mr. WAXMAN. Mr. Chairman, I thank the gentleman for his clarification. I do want to point out that some of the colloquy that I heard reflected his individual views, and it did not reflect how I interpret Knollenberg language, as amended by Obey, and should not be used for any legal interpretation of the Knollenberg amendment as so modified.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 501, proceedings will now resume on those amendments on which further proceedings were postponed in the following order:

Amendment No. 5 offered by the gentleman from Indiana (Mr. ROEMER); amendment No. 22 offered by the gentleman from New York (Mr. HINCHEY); amendment No. 32 offered by the gentleman from Tennessee (Mr. HILLEARY).

AMENDMENT NO. 5 OFFERED BY MR. ROEMER

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. ROEMER) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. ROEMER:

Page 72, line 15, strike ''$5,309,000,000'' and insert ''$3,709,000,000''.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. Pursuant to House Resolution 501, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

The vote was taken by electronic device, and there were—ayes 109, noes 323, not voting 2, as follows:

[Roll No. 345]

AYES—109

Barrett (WI)
Bass
Bateman
Bereuter
Berry
Blagojevich
Blumenauer
Brown (OH)
Camp
Carson
Chabot
Christensen
Coble
Coburn
Conyers
Costello
Coyne
Danner
DeFazio
Delahunt
Dingell
Doyle
Duncan
Ensign
Evans
Fossella
Frank (MA)
Franks (NJ)
Ganske
Goode
Goodlatte
Goodling
Gutierrez
Hamilton
Hefley
Herger
Hilleary
Hoekstra
Holden
Inglis
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kildee
Kind (WI)
Kingston
Kleczka
Klug
LaFalce
Largent
Latham
Lazio
Leach
Lee
Levin
LoBiondo
Lowey
Luther
Maloney (NY)
Manzullo
Markey
McHugh
McInnis
Meehan
Miller (CA)
Minge
Mink
Moakley
Myrick
Nadler
Neumann
Nussle
Oberstar
Obey
Owens
Pallone
Paul
Paxon
Payne
Pelosi
Peterson (MN)
Pomeroy
Porter
Portman
Poshard
Ramstad
Rivers
Roemer
Roukema
Sanders
Sanford
Schaffer, Bob
Schumer
Shays
Shuster
Slaughter
Smith (MI)
Stark
Strickland
Stupak
Tierney
Upton
Velazquez
Vento
Visclosky
Wamp
Woolsey
Yates

NOES—323

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Becerra
Bentsen
Berman
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fowler
Fox
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kennedy (RI)
Kennelly
Kilpatrick
Kim
King (NY)
Klink
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
LaTourette
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
Lofgren
Lucas
Maloney (CT)
Manton
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Neal
Nethercutt
Ney
Northup
Norwood
Olver
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schaefer, Dan
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Towns
Traficant
Turner
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller

Wexler
Weygand
White
Whitfield
Wicker
Wilson
Wise
Wolf
Wynn
Young (AK)

NOT VOTING—2

Gonzalez
Young (FL)

□ 1823

Messrs. SAXTON, JACKSON of Illinois, CRAPO, Ms. GRANGER and Mr. NEY changed their vote from ''aye'' to ''no''.

Mrs. MYRICK, Mr. MARKEY, Mr. STARK and Ms. KAPTUR changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 22 OFFERED BY MR. HINCHEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Mr. HINCHEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 146, noes 285, not voting 3, as follows:

[Roll No. 346]

AYES—146

Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Bass
Bereuter
Boehlert
Bonior
Borski
Boswell
Brady (PA)
Brown (OH)
Camp
Castle
Conyers
Costello
Coyne
Crane
Davis (IL)
Delahunt
DeLauro
Doyle
Ehlers
Engel
English
Ewing
Fattah
Fawell
Forbes
Ford
Fossella
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Ganske
Gejdenson
Gekas
Gilman
Goodling
Greenwood
Gutierrez
Hastert
Hinchey
Hoekstra
Holden
Houghton
Hulshof
Hyde
Jackson (IL)
Johnson (CT)
Johnson (WI)
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
LaFalce
LaHood
Latham
Lazio
Leach
Levin
Lipinski
LoBiondo
Lowey
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
McCarthy (MO)
McCarthy (NY)
McDade
McGovern
McHale
McHugh
McIntosh
McNulty
Meehan
Meeks (NY)
Menendez
Moakley
Mollohan
Murtha
Nadler
Neal
Neumann
Nussle
Oberstar
Obey
Olver
Owens
Pallone
Pappas
Pascrell
Paxon
Payne
Peterson (PA)
Petri
Pitts
Porter
Poshard
Quinn
Rangel
Rivers
Roemer
Rothman
Roukema
Rush
Sanders
Saxton
Schumer
Sensenbrenner
Serrano
Shays
Shimkus
Shuster
Slaughter
Smith (MI)
Smith (NJ)
Solomon
Souder
Stabenow
Stupak
Sununu
Tierney
Towns
Upton
Visclosky
Walsh
Weldon (PA)
Weller
Weygand
Wise
Yates

NOES—285

Abercrombie
Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bono
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Capps
Cardin
Carson
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
DeGette
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Ensign
Eshoo
Etheridge
Evans
Everett
Farr
Fazio
Filner
Foley
Fowler
Frost
Furse
Gallegly
Gephardt
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hooley
Horn
Hostettler
Hoyer
Hunter
Hutchinson
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kim
Klug
Knollenberg
Kolbe
Kucinich
Lampson
Lantos
Largent
LaTourette
Lee
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
Lofgren
Lucas
Luther
Martinez
Matsui
McCollum
McCrery
McDermott
McInnis
McIntyre
McKeon
McKinney
Meek (FL)
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Ortiz
Oxley
Packard
Parker
Pastor
Paul
Pease
Pelosi
Peterson (MN)
Pickering
Pickett
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sessions
Shadegg
Shaw
Sherman
Sisisky
Skaggs
Skeen
Skelton
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Traficant
Turner
Vento
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Wexler
White
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wynn
Young (AK)

NOT VOTING—3

Gonzalez
Velazquez
Young (FL)

□ 1832

Messrs. CLAY, KUCINICH and CHAMBLISS changed their vote from ''aye'' to ''no.''

Mr. EHLERS changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 32 OFFERED BY MR. HILLEARY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Tennessee (Mr. HILLEARY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a five-minute vote.

The vote was taken by electronic device, and there were—ayes 231, noes 200, not voting 3, as follows:

[Roll No. 347]

AYES—231

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Boswell
Boucher
Boyd
Brady (TX)
Bryant
Bunning
Burton
Callahan
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cramer
Crane
Crapo
Cubin
Cunningham
Danner
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fossella
Fowler
Fox
Franks (NJ)
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Green
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jenkins
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
King (NY)
Kingston
Klink
Klug
LaHood
Largent
Latham
LaTourette
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
Martinez
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood

Nussle
Ortiz
Oxley
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Stupak
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)

NOES—200

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Burr
Buyer
Calvert
Campbell
Capps
Cardin
Carson
Castle
Clay
Clement
Clyburn
Condit
Conyers
Cox
Coyne
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dreier
Engel
Eshoo
Evans
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Ganske
Gejdenson
Gephardt
Gilchrest
Gilman
Granger
Greenwood
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hobson
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E.B.
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Owens
Packard
Pallone
Pascrell
Payne
Pelosi
Porter
Poshard
Price (NC)
Rangel
Riggs
Rivers
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Smith, Adam
Snyder
Stabenow
Stark
Stokes
Strickland
Sununu
Tauscher
Thomas
Thompson
Tierney
Torres
Towns
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—3

Gonzalez
Velazquez
Young (FL)

□ 1840

Mrs. CLAYTON changed her vote from ''no'' to ''aye.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The committee will rise informally to receive a message.

The Speaker pro tempore (Mr. LAHOOD) assumed the Chair.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore (Mr. LAHOOD). The Committee will resume its sitting.

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

The Committee resumed its sitting.

(By unanimous consent Mr. LINDER was allowed to speak out of order.)

PERSONAL EXPLANATION

Mr. LINDER. Mr. Chairman, regrettably I was not present to vote on Rollcall Numbers 337, 338 and 339 last Friday afternoon. Had I been present I would have voted aye on 337, no on vote 338 and aye on vote 339 which was the final passage of the Patient Protection Act.

Ms. DELAURO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to my colleague, the gentleman from Virginia (Mr. SCOTT).

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

Ms. DELAURO. Mr. Chairman, I rise to support the motion which will be offered by the gentleman from Wisconsin (Mr. OBEY) a little bit later in the evening.

Mr. Chairman, in 1994 the Consumer Product Safety Commission decided to grant part of a petition by State fire marshals, State fire marshals who have been asking the CPSC to develop a safety standard for upholstered furniture to address the problems of fires started from small open flames such as lighters, matches and candles. Every year 200 people are killed and 600 injured unnecessarily by fires which start on upholstered couches and chairs. Most of the fires start when children play with lighters and matches, and every year 40 children under age 5 die in fires started by burning upholstered furniture.

These fires, Mr. Chairman, cost an estimated $1 billion and are completely avoidable. These fires could be avoided by using fire-retardant chemicals to reduce the flammability of upholstered furniture. The CPSC has been working for the past 4 years to conduct tests and evaluate all of the issues relating to the proposed standard to reduce fires, but the upholstered furniture industry does not want this standard to move forward, so in subcommittee an amendment was added to tie the CPSC up in red tape and paperwork and delay the development of these standards.

Mr. Chairman, the study required in this bill is unnecessary, it is a stall tactic, and the CPSC estimates that it would take more than 5 years and cost nearly a million dollars to do this unnecessary study. In the meantime more fires will occur putting peoples' lives in danger. Each year that goes by before the standard is put in place 200 people die, each year 600 people are injured unnecessarily, and each year that goes by nearly $1 billion in damages and social costs from these preventable fires occur. Each year that goes by 40 more children under age five will die from fires and burns.

□ 1845

Will we continue to sacrifice the lives of our children and firemen? Will we pander to the upholstered furniture industry to stop the CPSC from taking steps to prevent these completely avoidable fires? No. I urge my colleagues to support this motion to recommit.

Mr. Chairman, I am pleased to yield to my colleague, the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, we will vote on a motion to recommit with specific instructions to strike section 425. This section puts the interest of an industry over the interest of our citizens. Today we won a victory on children's sleepwear fire safety standards. We demonstrated Congress' bipartisan commitment to ensuring that our children are safer from fires. Now we must continue that commitment by allowing the Consumer Product Safety Commission to proceed on upholstered flammability standards.

In a letter to the Committee on Rules, the Consumer Product Safety Commission called this language an obstacle to their work. They said, and I quote:

> The proposal creates additional costs to an ongoing project and adds considerable delay and redundancy with no additional benefits to the American public. This is only intended to interfere and disrupt the orderly process already developed by the Consumer Product Safety Commission to consider a serious hazard facing American consumers.

That is not stated by any Congressperson. That is stated by the CPSC. Unfortunately, if this VA–HUD appropriations bill passes with section 425, the $16 billion upholstery manufacturing industry will receive an early Christmas present. That is what this is all about.

While the industry is laughing its way to the bank, thousands of Americans will be in jeopardy and will continue to be in jeopardy. They will be