

which time Lowes took over, starting a long succession of different owners. All brought significant changes to the Allen, from its structure to the actual performances that took place inside it. From 1972–76, it played host to many soon-to-be-famous rockers who were looking to showcase their acts, such as the BeeGees, Cheech & Chong and the rock band KISS.

After a brief “dark-out”, the Allen came alive again with a techno-entertainment show called the Laserium that lasted only a year, after which the theater closed its doors for 16 years. But after a long struggle, the Playhouse Square Foundation received the support to save this historic landmark from demolition by signing a 20-year lease to handle its operations. It presented the cabaret show “Forever Plaid” which was met with great success. Officials chose to remodel the theater’s stage and make it conducive to long-running musicals like Phantom of the Opera and Showboat.

My fellow colleagues, please join me in honoring the Allen Theater during this time of great celebration. Its grand re-opening marks a new beginning for this grand institution. Despite much adversity, it will continue to give us the magic of theater long into the future.

INTRODUCTION OF THE EMPOWERMENT ZONE ENHANCEMENT AND RURAL ENTERPRISE COMMUNITIES ACT

**HON. MAURICE D. HINCHEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 1, 1998*

Mr. HINCHEY. Mr. Speaker, I rise with my colleague Mr. WATKINS of Oklahoma to introduce legislation aimed at securing funding for Round II of the Empowerment Zone program. Last year’s Taxpayer Relief Act authorized the designation of 20 new Empowerment Zones—15 in urban cities and 5 in rural areas—but did not provide any funding for these communities. The bill we are introducing tonight builds on a measure we introduced earlier this year to expand the rural program—the Rural Enterprise Communities Act (H.R. 4071)—to include funding for the 15 urban empowerment zones.

The flexible funding for EZs and ECs is so important because it gives communities the ability to participate directly with their private sector partners in development projects. The communities leverage these funds many times over, using them as seed capital to attract resources from the private sector, non-profit organizations, foundations, universities, churches, and government agencies. Without the funding in place, it will be very difficult for the new empowerment zones to begin implementing their comprehensive strategic development plans.

In addition, we believe that the rural side of this program must be expanded. The Taxpayer Relief Act only authorized five rural empowerment zones. To date, more than 250 communities have notified USDA that they will be competing for these designations. Our bill recognizes the significance of this program for distressed rural communities and allows the USDA to designate an additional 33 enterprise communities in rural areas.

We need to act quickly to ensure that the new EZs and ECs are funded at the beginning

of their life cycle when it will do the most good. I have attached a summary of the Empowerment Zone Enhancement and Rural Enterprise Communities Act, and urge my colleagues to support this important measure.

THE EMPOWERMENT ZONE ENHANCEMENT AND RURAL ENTERPRISE COMMUNITIES ACT

Section 2(a), (b). Selection of Additional Enterprise Communities. This section expands Round II of the EZ/EC competition to authorize the Secretary of Agriculture to designate 33 rural enterprise communities. The EC designations are in addition to the five rural and 15 urban empowerment zones authorized by the Taxpayer Relief Act of 1997. In addition, this section extends the filing deadline until January 1, 2000 for communities to apply for a new EC designation.

Section 2(c). Modification of Eligibility Criteria for Rural Empowerment Zones and Enterprise Communities. Poverty is still the main criteria for a rural EZ/EC designation. This section gives the Secretary the discretionary authority to consider other significant factors that contribute to distress in rural communities that are not as prevalent in urban areas. These include: Emigration; Underemployment; Rise in unemployment caused by the federal government, such as a military base closure; and Sudden economic dislocation that causes significant job loss, such as a plant closure.

In addition, this section clarifies that for communities that otherwise meet all of the program’s eligibility criteria, the Secretary may exempt sites that will be developed for commercial and industrial purposes from the poverty criteria as long as they do not exceed 2,000 acres or contain more than three non-contiguous parcels.

Section 2(d), (e). Use of Bond Proceeds. The Taxpayer Relief Act authorized EZs to issue “new empowerment facility bonds” that are exempt from the state’s tax-exempt bond cap, and also created a new type of “zone academy bond” to finance school construction in these communities. This section specifies that: Issues of new empowerment zone facility bonds must be consistent with the EZ’s strategic plan to receive the special treatment; Rural ECs designated in the Round II competition may not issue zone facility bonds; The comprehensive education plan required to issue zone academy bonds must not be inconsistent with the EZ’s strategic plan; and At least 25 percent of the zone academy bonds must be allocated to rural EZs.

Section 3(a), (b). Recognition and Incentives for Top Performing EZs and ECs. This section directs the Secretaries of Housing and Urban Development and Agriculture to recognize top-performing EZs and ECs annually. Top performing Round I ECs that otherwise meet all the program’s eligibility criteria will be given priority in the Round II EZ competition.

Section 3(c). Continuation Funding for Top Performing Round I EZs and ECs. This section allows HHS to set aside up to 10 percent, of the funds for the Round II EZs (\$150 million for urban, \$10 million for Rural). Round I EZs and ECs that have completed or made satisfactory progress toward implementing their strategic plans will be eligible to compete for these funds at the direction of USDA and HUD.

Section 4(a)–(d). Funding for Round II EZs and ECs. EZ/EC program funds are distributed through the Social Services Block Grant (Title XX). The President’s budget allocates \$1.7 bil-

lion for the Round II empowerment zones (\$1.5 billion for urban and \$200 million for rural). This section divides those funds to provide: Urban EZs an annual grant of up to \$10 million for the next 10 years for a total of as much as \$100 million; Rural EZs an annual grant of up to \$2 million for the next 10 years for a total of as much as \$20 million; and Rural ECs two grants of \$1.5 million for the next two years for a total \$3 million.

Section 4(e). Rural Community Planning Grants. To help rural communities prepare their strategic plans during the application process, this section designates \$1 million for 100 community planning grants of up to \$10,000 each.

Section 5. Responsibility for Environmental Review. The National Environmental Policy Act requires every federal agency that administers a program funded through grants to states, such as the Title XX Social Services Block Grant, to determine, among other things, whether the program will have any adverse effects on the environment. The Department of Health and Human Services—which releases the SSBG funds to the states for EZs and ECs—is currently required to make this environmental review for EZ/EC grants, even though it is not responsible for selecting the communities or approving their strategic plans. This section transfers responsibility for conducting the NEPA reviews to HUD for urban areas and to USDA for rural areas. It also gives the Secretaries the authority to delegate this responsibility to state and local governments and tribal authorities under certain conditions.

Section 6. Performance Measurement and Evaluation. This section requires HUD and USDA to make regular evaluations of the Round II EZ’s and EC’s progress toward implementing their strategic plans, according to a performance measurement system established by the Secretaries. This section also give HUD and USDA authority to adjust, reduce, or cancel a zone’s or community’s grant for poor performance.

Section 7. Distribution of Surplus Government Property. This section allows USDA to distribute surplus government property (computers, vans, construction equipment, etc.) to rural EZs, ECs, and champion communities on preferred basis.

Section 8. Effective Dates. In general, the amendments made by this bill take effect as if passed as part of the Taxpayer Relief Act of 1997.

PRESCRIPTION DRUG PRICING

**HON. MARION BERRY**

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, October 1, 1998*

Mr. BERRY. Mr. Speaker, I rise today to talk about an issue of importance to everyone across this country, especially our seniors.

Let me start by telling you about an 81-year-old woman. Her name is Mary Carson, who lives in my District in Jonesboro. She is presently taking 10 prescription drugs to treat blood blots, blood pressure, nervousness, and arthritis. Although Medicaid covers the cost of some of her prescription drugs, Ms. Carson still spends \$80 to \$200 monthly on her medications—up to almost half of her monthly income. Ms. Carson’s only source of income is