

and to send a message to the American people that hate crimes will not be tolerated.

Again, I want to commend the people of Jasper, Texas for coming together in this time of tragedy and saying no to hate in their community. Their actions of reconciliation are an example for all of us to follow in times of moral crisis.●

100TH ANNIVERSARY OF THE HOSPITAL CORPS OF THE U.S. NAVY

● Mr. BOND. Mr. President, today is the 100th anniversary of the Hospital Corps of the United States Navy. On June 17, 1898, President McKinley established the Hospital Corps which has recorded an illustrious history of service to the nation. The men and women who serve and have served as corpsmen have honored the nation, the Navy and themselves. They have upheld the highest traditions of service to the nation.

As a group, corpsmen have been the most highly decorated men and women who have served in our nation's military. Every day they put their lives at risk in the course of performing one of our highest callings as human beings, the preservation and protection of life. Individually, during the course of their 100 year history, 1962 corpsmen have paid the ultimate price while administering to their wounded comrades on the battlefield. Twenty-seven times, their actions were so extraordinary that the individual was awarded the Congressional Medal of Honor.

There is a little known fact about a widely hailed piece of American history. On February 23, 1945, six young men raised our national colors on top of Mount Suribachi on the island of Iwo Jima. A world renowned photograph was taken and this photograph became a symbol of the self-sacrifice and devotion to duty of the United States Marine Corps and our nation's military in general. What is little known is that the second young man from the base of the flagpole, was a U.S. Navy corpsman. Only days before, that young man, Pharmacist Mate Second Class John Bradley, during the assault of Iwo Jima, pulled a young Marine to safety and bandaged his wounds while braving severe machine gun and mortar fire from a determined enemy. For his actions, Pharmacist Mate Bradley was awarded the Navy Cross. This extraordinary individual as with his other compatriots in that photo is even more extraordinary because of his anonymity. They were there for the photo by chance, they became the symbol we so readily recognize by a twist of fate. But they carried out their duties as thousands of other young Americans had done before them and since, in the most terrible of circumstances.

Corpsmen have been the protective blanket our soldiers, sailors, and Marines have relied upon in their times of greatest distress. They have been there for them to heal their wounds, to fend off the battlefield's angels of death,

and sometimes to comfort them as life ebbed away. Corpsmen are representative of the best of our ideals. It is in that spirit I call upon my colleagues and all Americans to remember their significant contribution to our nation and celebrate this day in recognition of their service.●

SIGNING OF THE BULLETPROOF VESTS PARTNERSHIP GRANT ACT

● Mr. LEAHY. Mr. President, yesterday I had the privilege to attend the signing ceremony at the White House for the Bulletproof Vests Partnership Grant Act, S. 1605, with Attorney General Reno, Vice President GORE and President Clinton, who signed the bill into law.

I was honored to be joined at the ceremony by Vermont State Police Captain A. Marc Metayer and Springfield, Vermont Police Chief Barbara Higgins, who represented state and local law enforcement officers in my home state. Captain Metayer spoke on the importance of this new law and introduced the President of the United States.

I am very proud of the remarks of Captain Metayer and I ask that his remarks be printed at this point in the RECORD.

The remarks follow:

REMARKS OF CAPTAIN A. MARC METAYER, TROOP "B" COMMANDER, VERMONT STATE POLICE, JUNE 16, 1998

I am honored to have the opportunity to speak at the signing of the Bulletproof Vest Partnership Grant Act of 1998. I would like to thank Senator Patrick Leahy of Vermont and Senator Ben Nighthorse Campbell of Colorado for their efforts in making this life-saving grant a reality.

As Senator Leahy knows, the need for body armor for Vermont law enforcement officers was highlighted by the two-state manhunt for Carl Drega, last August. Drega killed four people in Colebrook, New Hampshire, including New Hampshire State Troopers Scott Phillips and Leslie Lord. He then traveled into Vermont where he wounded four more officers during two separate encounters. Drega was killed in the final exchange of gunfire with a combined force of Vermont, New Hampshire and Federal law enforcement officers.

I know these circumstances from first hand experience. I was the on scene incident commander for the Vermont State Police when Drega was finally stopped.

The Drega incident brought home the fact that no area of the country, regardless of its remote nature, is immune from senseless violence: violence against our citizens and violence against our law enforcement officers. Law enforcement officers must be prepared for such violence at any time, and any place.

The Drega incident erupted from a regular traffic stop in which the Troopers were going to remove registration plates from Drega's vehicle. Moments later, two Troopers were dead, horrifying their families and their communities. All from an activity which law enforcement officers perform countless times each day: a traffic stop for a minor violation.

In the twenty years that I have served as a Vermont State Trooper, I have worn body armor as a part of my daily routine. For those twenty years, I have personally purchased successive vests since the State did not provide them. I have been fortunate

enough to be in a financial position that allowed me to make these important purchases. But I have known many officers, most with young families, who simply could not afford to purchase body armor.

The Bulletproof Vest Partnership Grant Act will provide the funding to assist police departments with the purchase of body armor for their officers. Every state in the nation has communities that need this help to provide their law enforcement officers with this basic protection. In the end, this new law will save the lives of law enforcement officers in each and every state.

Thank you to all that have made this important contribution to the safety of police officers around the country.

I am now honored to introduce the President of the United States, President Bill Clinton. ●

TRIBUTE TO THE NEWBROOK FIRE DEPARTMENT IN HONOR OF THEIR FIFTIETH BIRTHDAY

● Mr. JEFFORDS. Mr. President, July 5, 1998, is a great day for Vermont as we celebrate the fiftieth birthday of the Newbrook Fire Department. On behalf of all Vermonters, I want to wish the department a very happy birthday.

For a half-century, the volunteers at Newbrook's Fire Department have donated their time to provide fire protection to Vermonters living in the lower West River Valley area. These volunteers continually risk their lives to protect the welfare of others. The Newbrook Fire Department also responds to medical emergencies and, through the years, has earned the reputation as one of Vermont's most efficient volunteer response teams. This is truly admirable. I applaud such dedication and have the utmost respect for Newbrook's courageous volunteers.

The Newbrook Fire Department is a vital part of the Newbrook community and its surrounding areas. For fifty years, the Department has given prompt and reliable service to people in the most distressing situations. It gives me great pleasure to recognize today fifty years of service and achievement of the Newbrook Fire Department and, more importantly, the volunteers who support it.●

LACK OF AFFORDABLE HOUSING

● Mr. KERREY. Mr. President, today, I want to speak on an issue of critical importance to my state of Nebraska. Whenever I travel back to the Good Life, what Nebraskans call their home, the one issue that always percolates to the top of any conversation is the lack of affordable housing, and this issue can dominate any spirited civic dialogue in our smaller communities throughout the state.

Talking with city officials, economic development groups, community planners, chambers of commerce representatives, and any of the town people who are deeply concerned about the prospects of their community, it is apparent to me, as sure as the Nebraska summer sky is blue, that more needs to be done to make sure communities

have the necessary tools to produce affordable housing and create more home ownership opportunities.

Home ownership should not be a far away dream, it should be a choice for many more Americans. Owning a home, some say, is not a right or privilege. I say owning a home is part of the American dream and should be a reachable goal for more Americans.

There are great examples of home ownership programs throughout this country, and I would like to share with you some of the exciting and innovative ideas people are trying in Nebraska.

Since 1990 the Lincoln Housing Authority (LHA) has enabled over 200 families to achieve their goal of owning a home through an innovative Home Ownership Program. LHA makes loans to qualified clients up to a maximum of \$3,750. And each year the buyer remains in the home and is in compliance, 20% of the loan will be forgiven.

LHA also has an exciting project called Lease-Purchase Program which is a joint venture with the Lincoln Public Schools. Students who are in residential construction trade classes build one single family home a year. When the home is completed, the house is placed under a lease-purchase agreement with the understanding the tenants will purchase the house at the end of the five year lease period.

LHA, through innovation and unique partnerships, has made a huge difference in communities throughout Lincoln, where families who once thought home ownership was impossible, not see it as something that can be achieved.

The Holy Name Housing Corporation, along with South Omaha Affordable Housing, have implemented a 32 single family rental project called the Crown Project. The project, financed by low income tax credits, Community Development Block Grant funds, and private financing, is an incubator for home ownership. These new single family homes located in North and South Omaha neighborhoods are rented to tenants committed to home ownership. This is an exciting project for members of these neighborhoods and an excellent example of what efficient partnerships can produce.

Another fine example of what Nebraskans are doing is the example of the Kearney Housing Authority (KHA) and how they are seeking prudent partnerships that fill a need for the community of Kearney. KHA, along with the University of Nebraska at Kearney's Construction and Technology Department and the Platte Valley State Bank and Trust, is able to provide homeownership opportunities to families at income levels who otherwise could not afford it.

What KHA did was bring in the Platte Valley State Bank and Trust—with their financial expertise and competitive interest rates—and the University—who served as the contractor and

the providers of excellent hands-on education for its students—to form a most qualified partnership. KHA served as "the owner" and saw the project from beginning to the end, which resulted in a huge success story, as families were given the chance to own a home for the first time, while the Kearney community received commitments from families who wanted to invest in Kearney.

As Americans are discussing this week how to improve home ownership opportunities and make it a reality for many more in their communities, I want to focus on rural Nebraska and how we need to make home ownership and affordable housing a reality for towns throughout Nebraska.

In 1996, a series of seven Nebraska regional focus groups comprised of community representatives and development professionals were asked "What are the most important things to focus on in the next 12-24 months in your community?" The top four priorities were leadership development, regional collaboration, technology, and housing.

Housing is a fundamental community need. It enhances or erodes a community's image and its appeal to business, industry, and, most importantly, the people who live there or may want to live there. Housing is a fundamental human need. Without decent, safe and affordable places to live, people lack a resource that enables them to pursue a quality of life that many others possess.

As some communities in Nebraska have seen former residents and new folks moving to their town, they find that their town does not have the housing supply to satisfy this new demand. Also, attracted by our state's economic development efforts, businesses are seriously considering rural Nebraska, but become hesitant about locating there when it is evident there is a lack of housing for the workers they aim to employ.

To ensure that job opportunities are not lost in our communities, to encourage population growth and to improve the quality of life for many Nebraskans, the serious lack of available and affordable housing must be addressed. Housing must be viewed as a component of every community's economic development future.

AFFORDABILITY

Financing affordable housing is challenging in general, but the small project located in a small town probably poses the greatest challenge of them all. Because of its size, a small project does not have the economies of scale that a larger project has, which creates a financial challenge to acquire resources into these areas. These projects cannot be ignored.

42 percent of Nebraska's 1.6 million people live in communities of 5,000 or less. Many of the new jobs coming into these towns are processing and manufacturing jobs, where wages range from \$5 to \$8 an hour, which is less than \$17,000 annually. Indeed, the 1994 aver-

age per capita income in rural areas was \$19,100 as compared to \$22,444 in metropolitan areas.

According to the Nebraska Homebuilders, the average cost to build a new house is \$120,000 and can get higher in rural areas when lack of credit, few building sites, cost of infrastructure development, and transportation and labor costs are taken into consideration. These numbers strongly suggest most rural Nebraskans will not be able to afford new housing.

AVAILABILITY

Increased demand coupled with limited production, increased building costs, and an aging housing stock has produced a severe housing shortage in many communities.

In 1996, the Nebraska Affordable Housing Trust Fund estimated that Nebraska communities need, over 5 years, approximately 35,000 housing units to address population growth, to replace housing units that are substandard—29 percent of the housing stock was 58 years or older in 1996—and to address the issues of affordability.

Because of the population decline of the 1980s, housing quality in rural Nebraska has suffered. Many home builders and contractors went out of business due to the lack of market. Without new homes to augment the older homes, the present housing market does not meet the needs of present demand. In essence, there are housing gaps.

Also, a greater portion of housing in rural areas is inhabited by senior citizens who may not have the money, energy, or desire to improve their homes. Older homes often fall off the market because they aren't inhabitable anymore.

From a federal standpoint, there are several tools pending in the 105th Congress that can be instrumental to communities throughout this country in need of affordable housing. I support these tools and aim to promote them among my Senate colleagues.

First, the Low-Income Housing Tax Credit (LIHTC) is probably the most important tool today that can create affordable housing in communities. In Nebraska, the LIHTC will be most effective in serving the affordable housing needs of the elderly. Also, it can be a great stepping stone for families moving into rural communities who need sound stability and then can proceed to search for home ownership options, if that is what they desire.

The LIHTC was created in the 1986 tax reform bill in the wake of decreasing appropriations for federally-assisted housing. LIHTC finances most affordable rental housing produced in Nebraska for low income working families, the elderly, and people with special needs.

Last year's GAO report on the LIHTC gave the program a healthy and favorable review. The GAO report said the program is doing more than what federal law even expected in serving the needs of the low-income. Ernst & Young assessed the program, reiterated

the GAO report, and said the present cap does not meet the needs for our communities.

Presently, the cap has not been adjusted for 10 years and inflation has muted the effectiveness of this tool for investments into communities. 45% of its purchasing power has been reduced. The present cap has created a situation where low-income needs are not being met.

According to Tim Kenny, Executive Director of the Nebraska Investment Finance Authority, which distributes the tax credit throughout the state, applications for the LIHTC far outnumber our state's supply. The need is overwhelming.

Because of this situation, I strongly support Senate Bill 1252 which would increase the cap per person under the LIHTC from \$1.25 to \$1.75. This would allow affordable housing projects that are pending in Nebraska to go through and be utilized in areas that need housing the most.

A second federal tool that can be extremely helpful in Nebraska are private activity tax-exempt bonds. State and local governments can sell tax-exempt bonds and then pass on the savings to lower income first-time homebuyers and for the construction of low cost rental apartments.

Presently, the cap on private activity tax-exempt bonds, set in 1986, is at \$150 million, or \$50 per capita. The cap applies to issuers of tax-exempt bonds for housing, economic development and other needed investments in communities. Cap growth is limited to State population increases, but not inflation.

Similar to the Low-Income Housing Tax Credit, the cap has not been adjusted for ten years and inflation has muted some of the effectiveness of this tool for investments into communities. The present cap has created a situation where demand for capped bonds has far exceeded supply. An example is the large demand for mortgage revenue bonds which can be used to finance first-time homes for lower income families. An increase in the cap could lead to housing construction in areas of Nebraska which need it most.

Senate Bill 1251 would increase the private activity tax-exempt bond cap to \$250 million, or \$75 per capita, and index it to inflation. I strongly support this bill as it could bring the dream of owning a home or renting a decent apartment closer to many Nebraskans. We have many qualified projects pending in Nebraska. They need to go forward.

The other federal tool that Congress needs to enact into law this year is to increase the FHA loan limit and simplify the down payment calculations for these loans.

Presently, 250 different loan limits exist throughout the country. This provision would establish one limit by raising all existing limits to \$227,150.

The FHA mortgage program helps meet home financing needs for people who are not served by the private mar-

ket. Many times, the down payment is the biggest barrier to home ownership and the FHA loan guarantee helps overcome this obstacle.

In the rural communities of Nebraska the FHA loan limit is \$81,548. In non-metro areas only 14 percent of all new homes sell for less than existing rural FHA loan limits. With a loan limit of \$81,548, the FHA loan, an effective tool for providing affordable housing, can not be implemented in a useful manner. The costs, as mentioned before, of building new quality housing, not tin huts, in most of our Nebraska communities are beyond the present FHA loan limit. We have to raise the limit if we are to utilize this tool.

Each year, FHA operates at no cost to the taxpayer. Price Waterhouse reported that FHA insurance premiums and loan loss recovery proceeds more than cover the cost of claims and operations. This proposal will increase new home ownership in Nebraska and I strongly support it.

Passing these legislative proposals is important to getting tools to Nebraskans to create more affordable housing and home ownership opportunities in our communities. I will work hard to seek enactment of these bills into law and I appreciate the support and help of Nebraskans who are also working hard on making affordable housing and home ownership a reality in our state. Home ownership does not have to be a dream, it can be a reality. These tools bring that reality closer to more Nebraskans.

I also would like to mention an extremely important tool that does not require a federal law and can work just as well. That tool is communication. In Nebraska, we have many hard working people within excellent organizations who toil long hours to bring affordable housing and homeownership opportunities to people throughout the State. They understand the importance of home ownership and know what a dream like owning your own home can do for a family that finally reaches that goal.

I ask the communities of Nebraska to communicate with each other. What works great in one community might work just as great in the community one county over, but they might not be aware of such success. Communities can talk together, ask questions, meet and discuss how each other are getting along. Indeed, communication can be the best tool in creating affordable housing and home ownership. Learning from each other can only make us better and more aware, and we should always encourage more participation and more exchange of ideas.

As I have already talked about exciting new projects occurring in my state, I would also like to point out there are many organizations with housing specialists throughout the state who are instrumental in getting resources to our communities. People working at these places have ideas, they have know how and are experts in finding

the means to get affordable housing to where it is needed. Along with these dedicated professionals, we have, throughout Nebraska, active non-profits with missions that make the quality of life for their neighborhoods the highest priority. Couple that fact with an army of dedicated volunteers means that home ownership and affordable housing is a realistic goal for each of our towns. Nebraska is lucky to have such resources.

We need to give these local groups the tools they need to improve the availability of affordable, quality housing. The three tools that I have mentioned can help people in these communities achieve the American Dream and should be enacted sooner rather than later.

GEORGIAN CONFLICT

• Mr. KOHL. Mr. President, disturbing events taking place around the world pose grave challenges to our U.S. strategic interests. In Pakistan and India, nuclear weapons are being developed, assembled and tested, escalating an arms race in the region. In Indonesia, the collapse of the rupiah has caused an economic and political crisis that has reverberated throughout the international financial markets. In China, missile proliferation looms ominously as evidence suggest that China conspired to sell entire missiles to other nations. And, in the former Yugoslavia province of Kosovo, NATO defense ministers have launched air exercises in an effort to convince Serbian dictator Slobodan Milosevic to halt his crack-down on the separatist ethnic Albanians in what has become Europe's most threatening security crisis since the 1992-95 Bosnian war.

These are just some of the more widely known international crises—requiring U.S. vigilance to protect its strategic interests. But there are lesser known struggles in remote and distant lands that have significant implications for U.S. foreign policy. One of these that deserves our attention is the conflict in the Republic of Georgia and its small break-away region of Abkhazia. In the wake of the recent armed insurrection in Abkhazia, U.S. efforts to ensure Georgia achieves and sustains political independence and economic stability must be enhanced.

Of all the newly independent states to emerge from the breakup of the former Soviet Union, Georgia is considered the most pro-western nascent democracy. Since its independence in 1991, Georgia has faced and begun to surmount formidable problems of economic collapse, civil war, separatist conflict, rampant crime, political infighting, and human rights abuses. Much to Russia's chagrin, Georgian President Eduard Shevardnadze has exerted strong leadership by moving Georgia away from Russia's sphere of influence. He has pursued an independent foreign policy, ushered in democratic and market reforms, and