

ability of the Department of Justice and Federal Trade Commission to enforce existing antitrust laws regarding brand name drugs and generic drugs; to the Committee on the Judiciary.

#### DRUG COMPETITION ACT

Mr. LEAHY. Mr. President, I have heard a lot of outrageous examples of greed in my life but one of the worst is where pharmaceutical giants pay generic drug companies to keep low-cost drugs from senior citizens and from families.

If Dante were still alive today I am certain he would find a special resting place for those who engage in these conspiracies.

The Federal Trade Commission and the New York Times deserve credit for exposing this problem. Simply stated: some manufacturers of patented drugs—often brand-name drugs—are paying millions each month to generic drug companies to keep lower-cost products off the market.

This hurts senior citizens, it hurts families, it cheats healthcare providers and it is a disgrace.

These pharmaceutical giants and their generic partners then share the profits gained from cheating American families.

The companies have been able to get away with this by signing secret deals with each other not to compete. My bill, which I am introducing today, will expose these deals and subject them to immediate investigation and action by the Federal Trade Commission, or the Justice Department. This solves the most difficult problem faced by federal investigators—finding out about the improper deals. This bill does not change the so-called Hatch-Waxman Act, it does not amend FDA law, and it does not slow down the drug approval process. It allows existing antitrust laws to be enforced because the enforcement agencies have information about deals not to compete.

Fortunately, the FTC was able to get copies of a couple of these secret contracts and instantly lowered the boom on the companies.

Mr. President, I ask unanimous consent that an editorial in the July 26, New York Times, called "Driving Up Drug Prices" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### DRIVING UP DRUG PRICES

Two recent antitrust actions by the Federal Trade Commission and a related federal court decision have exposed the way some pharmaceutical companies conspire to keep low-priced drugs out of reach of consumers. Manufacturers of patented drugs are paying tens of millions of dollars to manufacturers of generic drugs if they agree to keep products off the market. The drug companies split the profits from maintaining a monopoly at the consumer's expense. The commission is taking aggressive action to curb the practice. It needs help from Congress to close loopholes in federal law.

Dissatisfied with the supply of generic drugs, Congress passed the Hatch-Waxman

act in 1984 to encourage manufacturers to challenge weak or invalid patents on brand-name drugs. The act grants temporary protection from competition to the first manufacturer that receives permission from federal authorities to sell a generic drug before the patent on a brand-name drug expires. For 180 days, the federal government promises to approve no other generic drug.

But as reported Sunday by Sheryl Gay Stolberg and Jeff Gerth of The Times, drug companies are undermining Congress's intent. Hoechst Marion Roussel, the maker of drugs to treat hypertension and angina, agreed in 1997 to pay Andrx Pharmaceuticals to delay bringing its generic alternative to market. The commission brought charges against the companies last March and a federal judge declared last month in a private lawsuit that the agreement violated antitrust laws.

In a second case, Abbott Laboratories paid Geneva pharmaceuticals to delay selling a generic alternative to an Abbott drug that treats hypertension and enlarged prostates. Geneva's drug could have cost Abbott over 30 million a month in sales. In both cases, the manufacturer of the generic drug used its claim to the 180-day grace period to block other generic drugs from entering the market.

The drug companies deny that their agreements violate the antitrust laws, presenting them as private preliminary settlements between companies engaged in patent disputes. That is untenable. The agreements are overly broad, temporarily stopping all sales of generic drugs. Typically in settlement of a patent dispute, the company infringing on the patent would pay the patent holder. In these cases it is reversed, stunting competition. The agreements are also private, going into effect before a court reviews the public interest.

Not all private settlements are anti-consumer. That is why the commission has taken a careful case-by-case approach. It could use a little help from congress. The 180-day grace period was designed to encourage generics to enter the market. Since it is being manipulated to impede competition, the grace period needs to be fixed so that the production of generic drugs cannot be blocked by a single company that decides not to compete.

Mr. LEAHY. This editorial neatly summarizes the problem and concludes that the FTC "is taking aggressive action to curb the practice. It needs help from Congress to close loopholes in federal law."

My bill slams the door shut on would-be violators by exposing the deals to our competition enforcement agencies.

Under current law, manufacturers of generic drugs are encouraged to challenge weak or invalid patents on brand-name drugs so that consumers can enjoy lower generic drug prices.

Current law grants these generic companies a temporary protection from competition to the first manufacturer that gets permission to sell a generic drug before the patent on the brand-name drug expires.

This approach then gives the generic company a 180-day headstart on other generic companies.

That was a good idea—the unfortunate loophole exploited by a few is that secret deals can be made that allow the manufacturer of the generic drug to claim the 180-day grace period—to

block other generic drugs from entering the market—while, at the same time, getting paid by the brand-name manufacturer to not sell the generic drug.

The bill I am introducing today will shut this loophole down for companies who want to cheat the public, but keeps the system the same for companies engaged in true competition with each other. This bill would give the FTC or the Justice Department the information it needs to take quick and decisive action against companies driven more by greed than by good sense.

I think it is important for Congress not to overreact in this case and throw out the good with the bad. Most generic companies want to take advantage of this 180-day provision and deliver quality generic drugs at much lower costs for consumers. We should not eliminate the incentive for them.

Instead, we should let the FTC and Justice look at every single deal that could lead to abuse so that only the deals that are consistent with the intent of that law will be allowed to stand.

This bill was quickly drafted because I wanted my colleagues to be able to look at it over the recess so that we can be ready to act when we get back in session.

I look forward to suggestions from other Members on this matter and from brand-name and generic companies who will work with me to make sure this loophole is closed. I am not interested in comments from companies who want to continue to cheat consumers.

I ask unanimous consent to print the bill in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2993

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION. 1. SHORT TITLE

This Act may be cited as the "Drug Competition Act of 2000."

#### SEC. 2. FINDINGS.

Congress finds that—

(1) prescription drug costs are increasing at an alarming rate and are a major worry of senior citizens and American families;

(2) there is a potential for drug companies owning patents on brand-name drugs to enter to private financial deals with generic drug companies in a manner that could tend to restrain trade and greatly reduce competition and increase prescription drug costs for American citizens; and

(3) enhancing competition between generic drug manufacturers and brand name manufacturers can significantly reduce prescription drug costs to American families.

#### SEC. 3. PURPOSE.

The purposes of this Act are—

(1) to provide timely notice to the Department of Justice and the Federal Trade Commission regarding agreements between companies owning patents on branded drugs and companies who could manufacture generic or bioequivalent versions of such branded drugs; and

(2) by providing timely notice, to—

(A) enhance the effectiveness and efficiency of the enforcement of the antitrust laws of the United States; and

(B) deter pharmaceutical companies from engaging in anticompetitive actions or actions that tend to unfairly restrain trade.

#### SEC. 4. DEFINITIONS.

In this Act:

(1) AGREEMENT.—The term “agreement” means an agreement under section 1 of the Sherman Act (15 U.S.C. 1) or section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(2) ANTITRUST LAWS.—The term “antitrust laws” has the same meaning as in section 1 of the Clayton Act (15 U.S.C. 12), except that such term includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section applies to unfair methods of competition.

(3) ANDA.—The term “ANDA” means an Abbreviated New Drug Application, as defined under section 505(j) of the Federal Food, Drug and Cosmetic Act.

(4) BRAND NAME DRUG COMPANY.—The term “brand name drug company” means a person engaged in the manufacture or marketing of a drug approved under section 505(b) of the Federal Food, Drug and Cosmetic Act.

(5) COMMISSION.—The term “Commission” means the Federal Trade Commission.

(6) FDA.—The term “FDA” means the United States Food and Drug Administration.

(7) GENERIC DRUG.—The term “generic drug” is a product that the Food and Drug Administration has approved under section 505(j) of the Federal Food, Drug and Cosmetic Act.

(8) GENERIC DRUG APPLICANT.—The term “generic drug applicant” means a person who has filed or received approval for an ANDA under section 505(j) of the Federal Food, Drug and Cosmetic Act.

(9) NDA.—The term “NDA” means a New Drug Application, as defined under 505(b) of the Federal, Food, Drug, and Cosmetic Act et seq. (21 U.S.C. 355(b) et seq.)

#### SEC. 5. NOTIFICATION OF AGREEMENTS AFFECTING THE SALE OR MARKETING OF GENERIC DRUGS.

A brand name drug manufacturer and a generic drug manufacturer that enter into an agreement regarding the sale or manufacture of a generic drug equivalent of a brand name drug that is manufactured by that brand name manufacturer and which agreement could have the effect of limiting—

(1) the research, development, manufacture, marketing or selling of a generic drug product that could be approved for sale by the FDA pursuant to the ANDA; or

(2) the research, development, manufacture, marketing or selling of a generic drug product that could be approved by the FDA; both shall file with the Commission and the Attorney General the text of the agreement, an explanation of the purpose and scope of the agreement and an explanation of whether the agreement could delay, restrain, limit, or in any way interfere with the production, manufacture or sale of the generic version of the drug in question.

#### SEC. 6. FILING DEADLINES.

Any notice, agreement, or other material required to be filed under section 5 shall be filed with the Attorney General and the FTC not later than 10 business days after the date the agreements are executed.

#### SEC. 7. ENFORCEMENT.

(a) CIVIL FINE.—Any person, or any officer, director, or partner thereof, who fails to comply with any provision of this Act shall be liable for a civil penalty of not more than \$20,000 for each day during which such person is in violation of this Act. Such penalty may be recovered in a civil action brought by the United States, or brought by the Commis-

sion in accordance with the procedures established in section 16(a)(1) of the Federal Trade Commission Act (15 U.S.C. 56(a)).

(b) COMPLIANCE AND EQUITABLE RELIEF.—If any person, or any officer, director, partner, agent, or employee thereof, fails to comply with the notification requirement under section 5 of this Act, the United States district court may order compliance, and may grant such other equitable relief as the court in its discretion determines necessary or appropriate, upon application of the Commission or the Assistant Attorney General.

#### SEC. 8. RULEMAKING.

The Commission, with the concurrence of the Assistant Attorney General and by rule in accordance with section 553 of title 5, consistent with the purposes of this Act—

(1) may require that the notice described in section 5 of this Act be in such form and contain such documentary material and information relevant to the agreement as is necessary and appropriate to enable the Commission and the Assistant Attorney General to determine whether such agreement may violate the antitrust laws;

(2) may define the terms used in this Act;

(3) may exempt classes of persons or agreements from the requirements of this Act; and

(4) may prescribe such other rules as may be necessary and appropriate to carry out the purposes of this Act.

#### SEC. 9. EFFECTIVE DATES.

This Act shall take effect 90 days after the date of enactment of this Act.

By Mr. ROBB:

S. 2994. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to encourage small business health plans, and for other purposes; to the Committee on Finance.

#### THE HEALTH INSURANCE EQUITY ACT

Mr. ROBB. Mr. President, I rise to introduce a new legislative proposal to help level the playing field for small businesses that try to provide health insurance for their employees and make health insurance more affordable for all Americans.

While our economy is the strongest it's ever been, the number of uninsured Americans has gone from 32 million in 1987 to more than 44 million today. And that number is rising. While our nation continues to forge ahead in improving the world's greatest health care system, we face the increasing problem of having a significant percentage of our population that has no way to access it.

One of the largest sectors of the uninsured is employees who work for small businesses. While small businesses are the lifeblood of our economy, they also face some of the greatest challenges—particularly when it comes to providing health benefits for their employees. While the number of uninsured among employees who work for companies with more than 500 people is 1 in 8, that number soars among companies with fewer than 25 employees—to 1 in 3. This is because large employers can spread the costs of providing health insurance among their multitude of employees, while smaller companies have a much more difficult task. We need to help small business owners—and the employees who work for them—better afford quality health insurance.

Today, I propose that we lend a hand to the hardworking small businessmen and women of America, and their employees, to help them erase the gap in coverage between large and small businesses. The legislation I am introducing—the Health Insurance Equity Act—will give small businesses with less than 50 employees a 20% tax credit toward the cost of buying health insurance for their employees. To encourage small businesses to pool together and take advantage of the same benefits that their larger counterparts have, the credit will increase to 25% if the businesses join new “qualified health benefit purchasing coalitions” that can help them easily administer their new health plans and negotiate better rates with insurers.

In addition, this legislation makes a change in the tax code to ensure that these new coalitions can enjoy the full benefit of charitable contributions from private foundations. While some private foundations have indicated that they are willing to help fund some of the start-up costs of health purchasing coalitions, current law does not specify that these sorts of contributions would qualify as a charitable donation. For this reason, private foundations have been reluctant to make grants or loans to these coalitions. The bill I am introducing today will clarify that aid to qualified health benefit purchasing coalitions are entirely tax-deductible, which can help encourage private foundations and other interested parties to help the coalitions with their important duties.

By helping people get better access to basic health insurance—before they get very sick—we can save money for both hospital and patient, while helping millions of Americans live more healthy lifestyles.

With that Mr. President, I send my legislation to the desk, and ask that it be appropriately referred. I also ask unanimous consent that it be printed in the RECORD. I yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2994

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Health Insurance Equity Act of 2000”.

#### SEC. 2. CERTAIN GRANTS BY PRIVATE FOUNDATIONS TO QUALIFIED HEALTH BENEFIT PURCHASING COALITIONS.

(a) IN GENERAL.—Section 4942 of the Internal Revenue Code of 1986 (relating to taxes on failure to distribute income) is amended by adding at the end the following:

“(k) CERTAIN QUALIFIED HEALTH BENEFIT PURCHASING COALITION DISTRIBUTIONS.—

“(1) IN GENERAL.—For purposes of subsection (g) and section 4945(d)(5), a qualified health benefit purchasing coalition distribution by a private foundation shall be considered to be a distribution for a charitable purpose.

“(2) QUALIFIED HEALTH BENEFIT PURCHASING COALITION DISTRIBUTION.—For purposes of paragraph (1)—

“(A) IN GENERAL.—The term ‘qualified health benefit purchasing coalition distribution’ means any amount paid by a private foundation to or on behalf of a qualified health benefit purchasing coalition (as defined in section 9841) for purposes of payment or reimbursement of start-up costs paid or incurred in connection with the establishment and maintenance of such coalition.

“(B) EXCLUSIONS.—Such term shall not include any amount used by a qualified health benefit purchasing coalition (as so defined)—

“(i) for the purchase of real property,

“(ii) as payment to, or for the benefit of, members (or employees or affiliates of such members) of such coalition, or

“(iii) for start-up costs paid or incurred more than 24 months after the date of establishment of such coalition.

“(3) TERMINATION.—This subsection shall not apply—

“(A) to qualified health benefit purchasing coalition distributions paid or incurred after December 31, 2008, and

“(B) with respect to start-up costs of a coalition which are paid or incurred after December 31, 2010.”

(b) EFFECTIVE DATE.—The amendment made by this subsection shall apply to qualified health benefit purchasing coalition distributions, as defined in section 4942(k)(2) of the Internal Revenue Code of 1986, as added by subsection (a), paid in taxable years beginning after December 31, 2000.

### SEC. 3. SMALL BUSINESS HEALTH PLAN TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following:

#### “SEC. 45D. EMPLOYEE HEALTH INSURANCE EXPENSES.

“(a) GENERAL RULE.—For purposes of section 38, in the case of a small employer (as defined in section 4980D(d)(2)), the employee health insurance expenses credit determined under this section for the taxable year is an amount equal to the applicable percentage of the amount paid by the taxpayer during the taxable year for qualified employee health insurance expenses.

“(b) APPLICABLE PERCENTAGE.—For purposes of subsection (a), the applicable percentage is—

“(1) in the case of insurance purchased as a member of a qualified health benefit purchasing coalition (as defined in section 9841), 25 percent, and

“(2) in the case of insurance not described in paragraph (1), 20 percent.

“(c) PER EMPLOYEE DOLLAR LIMITATION.—

“(1) IN GENERAL.—The amount of qualified employee health insurance expenses taken into account under subsection (a) with respect to any qualified employee for any taxable year shall not exceed the sum of the monthly limitations for coverage months of such employee during such taxable year.

“(2) MONTHLY LIMITATION.—The monthly limitation for each coverage month during the taxable year is equal to 1/12 of—

“(A) \$2,000 in the case of self-only coverage, and

“(B) \$5,000 in the case of family coverage.

“(3) COVERAGE MONTH.—For purposes of this subsection, the term ‘coverage month’ means, with respect to an individual, any month if—

“(A) as of the first day of such month such individual is covered by the taxpayer’s new health plan, and

“(B) the premium for coverage under such plan for such month is paid by the taxpayer.

“(d) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED EMPLOYEE.—

“(A) IN GENERAL.—The term ‘qualified employee’ means, with respect to any period, an employee of an employer if—

“(i) the total amount of wages paid or incurred by such employer with respect to such employee for the taxable year is not in excess of \$10,000, and

“(ii) the employee is not a highly compensated employee.

“(B) TREATMENT OF CERTAIN EMPLOYEES.—For purposes of subparagraph (A), the term ‘employee’ shall include—

“(i) an employee within the meaning of section 401(c)(1), and

“(ii) a leased employee within the meaning of section 414(n).

“(C) EXCLUSION OF CERTAIN EMPLOYEES.—

“(i) IN GENERAL.—If a plan—

“(I) prescribes minimum age and service requirements as a condition of coverage, and

“(II) excludes all employees not meeting such requirements from coverage,

then such employees shall be excluded from consideration for purposes of this paragraph.

“(ii) COLLECTIVE BARGAINING AGREEMENT.—For purposes of this paragraph, there shall be excluded from consideration employees who are included in a unit of employees covered by an agreement between employee representatives and one or more employers, if there is evidence that health insurance benefits were the subject of good faith bargaining between such employee representatives and such employer.

“(iii) LIMITS ON MINIMUM REQUIREMENTS.—Rules similar to the rules of section 410(a) shall apply with respect to minimum age and service requirements under clause (i).

“(D) WAGES.—The term ‘wages’—

“(i) has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section), and

“(ii) in the case of an employee described in subparagraph (B)(i), includes the net earnings from self-employment (as defined in section 1402(a) and as so determined).

“(2) QUALIFIED EMPLOYEE HEALTH INSURANCE EXPENSES.—

“(A) IN GENERAL.—The term ‘qualified employee health insurance expenses’ means any amount paid or incurred by an employer during the applicable period for health insurance coverage provided under a new health plan to the extent such amount is attributable to coverage provided to any employee who is not a highly compensated employee.

“(B) EXCEPTION FOR AMOUNTS PAID UNDER SALARY REDUCTION ARRANGEMENTS.—No amount paid or incurred for health insurance coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

“(C) HEALTH INSURANCE COVERAGE.—The term ‘health insurance coverage’ has the meaning given such term by section 9832(b)(1).

“(D) NEW HEALTH PLAN.—For purposes of this paragraph, the term ‘new health plan’ means any arrangement of the employer which provides health insurance coverage to employees if—

“(i) such employer (or predecessor employer) did not establish or maintain such arrangement (or any similar arrangement) at any time during the 2 taxable years ending prior to the taxable year in which the credit under this section is first allowed, and

“(ii) such arrangement covers at least 70 percent of the qualified employees of such employer who are not otherwise covered by health insurance.

“(E) APPLICABLE PERIOD.—For purposes of subparagraph (A), the applicable period with respect to an employer shall be the 4-year period beginning on the date such employer establishes a new health plan.

“(3) HIGHLY COMPENSATED EMPLOYEE.—The term ‘highly compensated employee’ means an employee who for the preceding year had compensation from the employer in excess of \$75,000.

“(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

“(f) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for that portion of the qualified employee health insurance expenses for the taxable year which is equal to the amount of the credit determined under subsection (a).

“(g) TERMINATION.—This section shall not apply to expenses paid or incurred by an employer with respect to any arrangement established on or after January 1, 2009.”

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking “plus” at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting “, plus”, and by adding at the end the following:

“(13) the employee health insurance expenses credit determined under section 45D.”

(c) NO CARRYBACKS.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

“(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.”

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“Sec. 45D. Employee health insurance expenses.”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2000, for arrangements established after the date of the enactment of this Act.

### SEC. 4. QUALIFIED HEALTH BENEFIT PURCHASING COALITION.

(a) IN GENERAL.—Chapter 100 of the Internal Revenue Code of 1986 (relating to group health plan requirements) is amended by adding at the end the following new subchapter:

#### “Subchapter D—Qualified Health Benefit Purchasing Coalition

“Sec. 9841. Qualified health benefit purchasing coalition.

#### “SEC. 9841. QUALIFIED HEALTH BENEFIT PURCHASING COALITION.

“(a) IN GENERAL.—A qualified health benefit purchasing coalition is a private not-for-profit corporation which—

“(1) is licensed to provide health insurance in the State in which the employers to which such coalition is providing insurance is located, and

“(2) establishes to the Secretary, under State certification procedures or other procedures as the Secretary may provide by regulation, that such coalition meets the requirements of this section.

“(b) BOARD OF DIRECTORS.—

“(1) IN GENERAL.—Each purchasing coalition under this section shall be governed by a Board of Directors.

“(2) ELECTION.—The Secretary shall establish procedures governing election of such Board.

“(3) MEMBERSHIP.—The Board of Directors shall—

“(A) be composed of small employers and employee representatives of such employers, but

“(B) not include other interested parties, such as service providers, health insurers, or insurance agents or brokers which may have a conflict of interest with the purposes of the coalition.

“(c) MEMBERSHIP OF COALITION.—

“(1) IN GENERAL.—A purchasing coalition—

“(A) shall accept all small employers residing within the area served by the coalition as members if such employers request such membership, and

“(B) may accept any other employers residing with such area.

“(2) VOTING.—Members of a purchasing coalition shall have voting rights consistent with the rules established by the State.

“(d) DUTIES OF PURCHASING COALITIONS.—Each purchasing coalition shall—

“(1) enter into agreements with employers to provide health insurance benefits to employees of such employers,

“(2) enter into agreements with 3 or more unaffiliated, qualified licensed health plans, to offer benefits to members,

“(3) offer to members at least 1 open enrollment period per calendar year,

“(4) serve a significant geographical area, and

“(5) carry out other functions provided for under this section.

“(e) LIMITATION ON ACTIVITIES.—A purchasing coalition shall not—

“(1) perform any activity (including certification or enforcement) relating to compliance or licensing of health plans,

“(2) assume insurance or financial risk in relation to any health plan, or

“(3) perform other activities identified by the State as being inconsistent with the performance of its duties under this section.

“(f) ADDITIONAL REQUIREMENTS FOR PURCHASING COALITIONS.—As provided by the Secretary in regulations, a purchasing coalition shall be subject to requirements similar to the requirements of a group health plan under this chapter.

“(g) DEFINITION OF SMALL EMPLOYER.—The term ‘small employer’ has the meaning given such term by section 4980D(d)(2).”

(b) CONFORMING AMENDMENT.—The table of subchapters for chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following item:

“Subchapter D. Qualified health benefit purchasing coalition.”

By Mr. L. CHAFEE (for himself, Mr. BENNETT, Mr. CLELAND, Mr. JEFFORDS, Mr. LEVIN, Mr. LIEBERMAN, Mr. LEAHY, and Mr. BAUCUS):

S. 2995. A bill to assist States with land use planning in order to promote improved quality of life, regionalism, sustainable economic development, and environmental stewardship, and for other purposes; to the Committee on Energy and Natural Resources.

THE COMMUNITY CHARACTER ACT OF 2000

Mr. L. CHAFEE. Mr. President, I rise today to speak of an issue which effects every American, and future generations of Americans.

As the saying goes, “burn me once, shame on you, burn me twice, shame on me.”

After the second World War, waves of returning GIs—looking for a better life for themselves and their families—

helped create a unprecedented building boom in the United States. The potato fields of Long Island were turned into massive tracts of uniform new houses known as Levittown. This same post-World War II growth at one point so overwhelmed my own home town of Warwick, Rhode Island that the state newspaper described the city as “a suburban nightmare”. Before long, strip retail development catering to the automobile became the trademark of the American landscape.

Our landscape has since been pockmarked by incremental, haphazard development, which too often offends the eye, and saps our economic strength by requiring very expensive investment for extending infrastructure farther and father into the country side. Driving down the street in Anytown USA you see an apartment house next to a fast food franchise, next to a fire station, next to an office building, next to a strip mall. That isn’t planned development.

Over forty years after Levittown, we find ourselves in a strong economy sustained as never before. At the same time, every state in the country face significant problems relating to unplanned growth, from protecting open space in the east to protecting precious drinking water supplies in the west. We ought to seize the moment and learn from our previous mistakes—we should not be burned twice.

The last thing anyone needs, citizens and developers alike, is to have angry and divisive planning board, zoning board or city or town council meetings. The best thing we can do to ensure wise growth is to encourage decision makers to work together with the citizens, developers, interest groups and others to develop a consensus for planning for growth in an orderly manner.

That is what the Community Character Act does.

Mr. President, I rise today with my colleagues, Senators BENNETT, CLELAND, JEFFORDS, LEVIN, LIEBERMAN and LEAHY to introduce a bill that I believe will help states plan wise growth. This bill, Community Character Act of 2000, seeks to authorize \$25 million over four years for a grant program to help states develop or update their land use statutes and Comprehensive Plans.

No state in the nation is immune from the effects of rapid unplanned development. Suburbanization is expensive, costing state and local taxpayers dearly for extending roads and infrastructure, and building new schools. Even states considered more rural are now facing rapid alterations in land use and quality of life.

Federal grants under this act would help states promote citizen participation in the developing of state plans, encourage sustainable economic development, coordinate transportation and other infrastructure development, conserve historic scenic resources and the environment, and sustainably manage natural resources.

I am pleased that this bill has such bipartisan support and hope that the

full Senate will give it favorable action.

I thank the chair and ask unanimous consent that my full statement and the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2995

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the “Community Character Act of 2000”.

#### SEC. 2. FINDINGS.

Congress finds that—

(1) inadequate planning at the State level contributes to increased public and private capital costs for infrastructure development, loss of community character, and environmental degradation;

(2) land use planning is rightfully within the jurisdiction of State and local governments;

(3) comprehensive planning and community development should be supported by the Federal Government and State governments;

(4) States should provide a proper climate and context for planning through legislation in order for appropriate comprehensive land use planning and community development to occur;

(5) many States have outdated land use planning legislation, and many States are undertaking efforts to update and reform the legislation; and

(6) efforts to coordinate State resources with local plans require additional planning at the State level.

#### SEC. 3. DEFINITIONS.

In this Act:

(1) FEDERAL LAND MANAGEMENT AGENCY.—The term “Federal land management agency” means the Bureau of Land Management, the Forest Service, and any other Federal land management agency that conducts land use planning for Federal land.

(2) LAND USE PLANNING LEGISLATION.—The term “land use planning legislation” means a statute, regulation, executive order or other action taken by a State to guide, regulate, and assist in the planning, regulation, and management of land, natural resources, development practices, and other activities related to the pattern and scope of future land use.

(3) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development.

(4) STATE.—The term “State” means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(5) STATE PLANNING DIRECTOR.—The term “State planning director” means the State official designated by statute or by the Governor whose principal responsibility is the drafting and updating of State guide plans or guidance documents that regulate land use and infrastructure development on a statewide basis.

#### SEC. 4. GRANTS TO STATES FOR UPDATING LAND USE PLANNING LEGISLATION AND INTEGRATING FEDERAL LAND MANAGEMENT AND STATE PLANNING.

(a) IN GENERAL.—The Secretary shall establish a program to provide grants to States for the purpose of assisting in—

(1) as a first priority, development or revision of land use planning legislation in States that currently have inadequate or outmoded land use planning legislation; and

(2) creation or revision of State comprehensive land use plans or plan elements in

States that have updated land use planning legislation.

(b) **ELIGIBILITY.**—To be eligible to receive a grant under subsection (a), a State shall submit to the Secretary, in such form as the Secretary may require, an application demonstrating that the State's basic goals for land use planning legislation reform are consistent with all of the following guidelines:

(1) **CITIZEN REPRESENTATION.**—Citizens are notified and citizen representation is required in the developing, adopting, and updating of land use plans.

(2) **MULTIJURISDICTIONAL COOPERATION.**—In order to effectively manage the impacts of land development and to provide for resource sustainability, land use plans are created based on multi-jurisdictional governmental cooperation, when practicable, particularly in the case of land use plans based on watershed boundaries.

(3) **IMPLEMENTATION ELEMENTS.**—Land use plans contain an implementation element that—

(A) includes a timetable for action and a definition of the respective roles and responsibilities of agencies, local governments, and other stakeholders;

(B) is consistent with State capital budget objectives; and

(C) provides the framework for decisions relating to the siting of future infrastructure development, including development of utilities and utility distribution systems.

(4) **COMPREHENSIVE PLANNING.**—There is comprehensive planning to encourage land use plans that—

(A) promote sustainable economic development and social equity;

(B) enhance community character;

(C) coordinate transportation, housing, education, and other infrastructure development;

(D) conserve historic resources, scenic resources, and the environment; and

(E) sustainably manage natural resources.

(5) **UPDATING.**—Land use plans are routinely updated.

(6) **STANDARDS.**—Land use plans reflect an approach that is consistent with established professional planning standards.

(c) **USE OF GRANT FUNDS.**—Grant funds received by a State under subsection (a) shall be used to obtain technical assistance in—

(1) drafting land use planning legislation;

(2) research and development for land use planning programs and requirements relating to the development of State guide plans;

(3) conducting workshops, educating and consulting policy makers, and involving citizens in the planning process; and

(4) integrating State and regional concerns and land use plans with Federal land use plans.

(d) **AMOUNT OF GRANT.**—The amount of a grant to a State under subsection (a) shall not exceed \$500,000.

(e) **COST-SHARING.**—The Federal share of a project funded with a grant under subsection (a) shall not exceed 90 percent.

(f) **AUDITS.**—

(1) **IN GENERAL.**—The Inspector General of the Department of Housing and Urban Development shall conduct an audit of a portion of the grants provided under this section to ensure that all funds provided under the grants are used for the purposes specified in this section.

(2) **USE OF AUDIT RESULTS.**—The results of audits conducted under paragraph (1) and any recommendations made in connection with the audits shall be taken into consideration in awarding any future grant under this section to a State.

(g) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$25,000,000 for the period of fiscal years 2001 through 2005.

#### SEC. 5. FEDERAL LAND MANAGEMENT AGENCIES.

(a) **LAND USE PLANNING COORDINATOR.**—The head of each Federal land management agency shall designate an officer to act as coordinator working with State planning directors on projects funded under section 4.

(b) **PROVISION OF INFORMATION.**—A Federal land management agency shall provide to a State planning director such background information, plans, and relevant budget information as the State planning director considers to be needed in connection with a project funded under section 4.

(c) **ASSISTANCE AND PARTICIPATION IN COMMUNITY ORGANIZED EVENTS.**—Each Federal land management agency shall participate in any community organized events requested by the State planning director.

Mr. LEAHY. Mr. President, I am pleased to join with Senators DEWINE, HATCH and VOINOVICH in introducing bipartisan legislation to provide common-sense tax incentives to help address asbestos liability issues.

I agree with Supreme Court Justice Ruth Bader Ginsburg in the Amchem Products decision that Congress can provide a secure, fair and efficient means of compensating victims of asbestos exposure. The appropriate role for Congress is to provide incentives for private parties to reach settlements, not to take away the legal rights of asbestos victims and their families. Our bipartisan bill provides these tax incentives for private parties involved in asbestos-related litigation to reach global settlements and for asbestos victims and their families receive the full benefit of the incentives.

Mr. President, encouraging fair settlements while still preserving the legal rights of all parties involved is a win-win situation for business and asbestos victims. For example, Rutland Fire Clay Company, a family-run, 117-year-old small business in my home state of Vermont, recently reached a settlement with its insurers and the trial bar concerning the firm's asbestos problems. Unlike some big businesses that are trying to avoid any accountability for their asbestos responsibilities through national "tort reform" legislation, the Rutland Fire Clay Company and its President, Tom Martin, are doing the right thing within the legal system. Mr. Martin plans to lead the family-run business from bankruptcy this year as a stronger firm with a solid financial foundation for its employees in the 21st Century. The tax incentives in our bipartisan bill will support the Rutland Fire Clay Company and its employees while providing financial security for its settlement with asbestos victims.

I believe it is in the national interest to encourage fair and expeditious settlements between companies and asbestos victims. The legislation we are introducing today will protect payments to victims while ensuring defendant firms remain solvent. I urge my colleagues to support our bipartisan legislation.

By Mr. WELLSTONE:

S. 2996. A bill to extend the milk price support program through 2002 at

an increased price support rate; to the Committee on Agriculture, Nutrition, and Forestry.

#### DAIRY PRICE SUPPORT LEGISLATION

Mr. WELLSTONE. Mr. President, I rise today to introduce legislation that is intended to begin a long overdue discussion regarding the future of an industry, and a way of life that is basic not only to our agricultural economy but to the soul of America. I am talking about family dairy farming. To maintain this country's family dairy industry, we in the Senate need to act quickly before the end of this session, to effect a change in Federal dairy policy that will make a difference, a difference to dairy farmers who are struggling because they receive a price that is less than what it cost them to produce the product.

It is clear dairy farmers in this country are facing devastating times. The current dairy policies have brought chaos to family dairy farmers. Last year, the Class III milk price decreased from \$16.26 cwt. in September to \$9.63 cwt in December, and prices have still not recovered. Over the last ten months we have seen a drop of over forty percent in milk prices. How can our dairy farmers survive with such volatility in the market place? Dairy farmers need to have a stable and equitable market price, and that simply does not exist under our current dairy policy.

That is why I am pleased to introduce this legislation to set the milk support price at \$12.50 per hundredweight. As my colleagues know, the dairy support price sets a floor on the price received by all producers, regardless of region, that should be set at a level sufficient to curb market volatility. However, the current support level of \$9.90 cwt. is too low to act as a stabilizer for the market. The five year average for milk is \$12.78 cwt, therefore this legislation to set the support price at \$12.50 would protect against the huge drops producers have experienced in the past few years.

I want to make clear that this legislation is not intended to be the complete solution to the problems with our national dairy policy, or lack thereof. I firmly believe that we need to develop a supply management mechanism to complement an increase in the price support, however, for too long this Congress has ignored the economic crisis our nation's dairy farmers are facing.

Mr. President, what we do here in Washington has to be rooted in the lives of the people we represent. It has to be based upon the reality of lives of people in our communities, including people in rural communities. I think it is vitally important to understand that there is a crisis in capital letters with dairy farmers that is evident when you go out and talk with people, talk to farmers, hardworking dairy farmers, good managers, sitting down in their kitchens adding up the figures trying to cash flow. There is simply no way

they can do it. Talk to dairy farmers who try to convince their sons and daughters that there is no more honorable profession to go into than to be a farmer, to be a dairy farmer, to produce nutritious milk for people at affordable prices, and yet people do not get a decent price for their work.

In my State, fifty in the country in milk production, we have 8,000 dairy farmers with an average herd size of 59 cows. It is a family dairy industry. It is not a factory farm industry, and we want to keep it a family industry. The milk production from Minnesota farms generates more than \$1.2 billion for our states' farmers each year, and a recent University of Minnesota study determined that dairy production in Minnesota creates an additional \$1.2 billion in economic activity for related industry. Our dairy industry is efficient and it is innovative, and it produces a plentiful supply of pure wholesome milk at extremely reasonable prices, but it is also an industry in crisis. It is a crisis not only for dairy farmers themselves, but for rural communities throughout the country because the health and vitality of our rural communities is not going to be based upon the size of the herds but the number of dairy farmers who live in those communities, who buy in those communities, who go to churches in those communities, who support the school systems and businesses in those communities.

I am afraid, as I speak here on the floor of the Senate, that agriculture in our country is about to go through a transition where all of agriculture will be dominated by giant conglomerates. The result will be the total lack of a competitive sector, family farm sector, of agriculture. That will be a transition that we'll deeply regret and that is why we have to act now.

Mr. President, I hope we can respond appropriately to the pleas that are coming from any State and other agricultural States all around the country. Due to a drastic reduction in the prices paid to farmers for their milk during the past year, thousands of farmers are going out of business. Since 1990 the number of dairy farmers in Minnesota has been nearly cut in half. This year alone we have already lost almost 300 dairy farms. We will lose more if we do not change the course of policy. Federal dairy policy has allowed milk production and prices to fluctuate widely. This fluctuation has caused a tremendous amount of instability for producers and consumers but it has been especially bad for farmers. While retail prices for dairy farmers have gone down and while the price for farmers has been dramatically cut by 40 percent, we have seen no such decrease at the grocery store.

The solution is a Federal policy that provides a decent living to hard-working family farmers producing needed milk. The average cost of production for milk in the United States is around \$13 per hundredweight and yet farmers in my State are receiving

less than \$10 for the same hundred-weight. We need a system that will match output to need, and pay farmers a fair price.

There is widespread support around the country for an increase in the price support. In fact the National Farmers Union and the National Farmers Organization, earlier this year, testified in support of an increase of the current price support of \$9.90. Such a system will allow farmers to earn a price that covers the cost of production, and reduce the wild price fluctuations we have witnessed over the past few years.

I want to make it very clear that I believe the vitality of the dairy industry is important not only to my State's economic health, and to the economic health of agricultural States all across the country, but to the maintenance of viable rural communities throughout our nation. I think it is important if we are to protect the environment. I think it is important if we are to have diversity. I think it is important if we are to avoid more concentration in the agricultural sector of our country. I think it is important if we are to continue to have family farmers who can produce wholesome milk at a decent price for consumers. I think it is important because it represents the very best of what we have been about as a nation. I hope we can make substantive dairy policy reforms this year, and I believe an increase in the price support is an important component, as is a targeted supply management mechanism. It is clear we must act soon. And I hope we can do it before the close of Congress.

Mr. PRESIDENT, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2996

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. MILK PRICE SUPPORT PROGRAM.**

(a) EXTENSION OF PROGRAM.—Section 141(h) of the Agricultural Market Transition Act (7 U.S.C. 7251(h)) is amended by striking "2000" each place it appears and inserting "2002".

(b) PRICE SUPPORT RATE.—Section 141(b) of the Agricultural Market Transition Act (7 U.S.C. 7251(b)) is amended by adding at the end the following:

"(5) During each of calendar years 2001 and 2002, \$12.50."

(c) CONFORMING AMENDMENTS; RECOURSE LOAN PROGRAM FOR PROCESSORS.—Section 142 of the Agricultural Market Transition Act (7 U.S.C. 7252) is amended—

(1) in the first sentence of subsection (b), by striking "\$9.90" and inserting "\$12.50"; and

(2) in subsection (e), by striking "2001" and inserting "2003".

By Mr. KERRY (for himself, Mr. JEFFORDS, Mr. SARBANES, Mr. LEAHY, Mr. BRYAN, Mr. REED, Mr. L. CHAFEE, and Mr. WELLSTONE):

S. 2997. A bill to establish a National Housing Trust Fund in the Treasury of

the United States to provide for the development of decent, safe, and affordable housing for low-income families; to the Committee on Banking, Housing, and Urban Affairs.

THE NATIONAL AFFORDABLE HOUSING TRUST FUND ACT

Mr. KERRY. Mr. President, I come to the floor today to offer the National Affordable Housing Trust Fund Act which would establish a Trust Fund to fill the growing gap in our ability to provide affordable housing in this country.

We are living through a time of great economic expansion. Many Americans are benefitting from the growing economy. On the flip side however, is that the economy is fueling rising housing costs. While these costs skyrocket at record pace, there are many families in this country who are unable to keep up.

HUD estimates that 5.4 million low-income households have "worst case" housing needs. These families are paying over half their income towards housing costs or living in severely substandard housing. Since 1990, the number of families who have "worst case" housing needs has increased by 12 percent—that's 600,000 more American families who cannot afford a decent and safe place to live.

For these families living paycheck to paycheck, one unforeseen circumstance, a sick child, a needed car repair, or a large utility bill can send them into homelessness. Just this week, on the front page of the Washington Post, an article detailed these problems right here in our own backyard. The article details the plight of low-income families living in apartments which are no longer affordable because the owners have decided to no longer accept federal assistance. For these families, the loss of their affordable housing unit means they may go without a home.

We mistakenly view the housing crisis in this country as confined to specific demographics. This is untrue. There is not one metropolitan area in the country where a minimum wage earner can afford to pay the rent for a two-bedroom apartment. A person needs to earn over \$11 an hour to afford the median rent for a two bedroom apartment in this country. This figure rises dramatically in many metropolitan areas—an hourly wage of \$22 is needed in San Francisco; \$21 on Long Island; \$17 in Boston; \$16 in the D.C. area; \$14 in Seattle and Chicago; and, \$13 in Atlanta.

Working families in this country are increasingly finding themselves unable to afford housing. Using the numbers I just cited, a person in Boston would have to make over \$35,000 just to afford a 2 bedroom apartment. This means teachers, janitors, social workers, police officers—these full time workers can have trouble affording even a modest 2-bedroom apartment.

A story from my home state of Massachusetts highlights the problems faced by working families. On Cape

Cod, Susan O'Donnell a mother of three, earns \$21,000 a year working full-time. Nonetheless, she is forced to live in a campground because she cannot find affordable housing. The campground she is living at has time limits, so the only way she is able to stay for a prolonged period of time is through cleaning the campground's toilets. When her time runs out at the campground, she will again be forced to move with her three children, though it is not clear where she will be able to afford to move. Skyrocketing housing costs have pushed her, and other full time workers on the Cape out of their housing and into homelessness.

And, as I mentioned earlier, the problem is not only that we have failed to create additional affordable units. We have actually witnessed a tremendous loss in affordable housing. Between 1993 and 1995, a loss of 900,000 rental units affordable to very low-income families occurred. From 1996 to 1998, there was a 19% reduction in the number of affordable housing units. This amounted to a dramatic reduction of 1.3 million affordable housing units available to low-income Americans.

The Washington Post article I mentioned previously, helps to show the real impact of these losses. Because of the ability of higher wage earners to pay higher housing costs, building owners are now choosing not to rent to households assisted with Section 8 vouchers.

Right over the D.C. line, in Prince Georges County, Maryland, 300 tenants in an apartment complex were recently told that they would have to move because the owner will no longer accept Section 8. This means 300 families will lose their housing. And, it is not clear that there will be anywhere for them to go. The same article introduces us to a woman who experienced the same traumatizing eviction in Alexandria, Virginia. Ms. Evans is now living in a cockroach infested building with her children, because there are no decent units affordable to her. This, in part, stems from the fact that of 31 properties in Alexandria which accepted voucher holders in the past, 12 will not longer accept tenants with federal assistance.

The loss of this affordable housing has exacerbated the housing crisis in this country, and the federal government must take action.

However, the government has clearly not been doing enough. In fact, despite the fact that more families are unable to afford housing, we have decreased federal spending on critical housing programs over time. From fiscal year 1995 to fiscal year 1999, we engaged in what I call the "Great HUDway Robbery," diverting or rescinding over 20 billion dollars from federal housing programs for other uses. With a few exceptions, the funding increases of this past year have gone primarily to cover the rising costs of serving existing assisted families.

We need to bring our levels of housing spending back up to where they be-

long. Between 1978 and 1995, the number of households receiving housing assistance was increased by almost 3 million. From 1978 through 1984, we provided an additional 230,000 families with housing assistance each year. This number dropped significantly to 126,000 additional households each year from 1985 through 1995.

And, in 1996, this nation's housing policy went all the way back to square one—not only was there no increase in families receiving housing assistance, but the number of assisted units actually decreased. From 1996 to 1998, the number of HUD assisted households dropped by 51,000. In this time of rising rents and housing costs, and the loss of affordable housing units, it is incomprehensible that we are not doing more to bring the levels of housing assistance back from the dead.

It is high time that we focused on housing policies in Congress and around the country because housing is an anchor for families.

It is no secret that housing, neighborhood and living environment play enormous roles in shaping young lives. Maintaining a stable home, made possible through housing assistance, has positive outcomes for low-income children. A child will be unable to learn if she is forced to change schools every few months because her family is forced to move from relative to relative to friend to friend because her parents can't afford the rent.

What I am doing today, is standing up before the Nation and saying, "no more." We have the resources we need to ensure that all Americans have the opportunity to live in decent and safe housing, yet we are not devoting these resources to fix the problem.

Today, I am proposing to address the severe shortage of affordable housing by establishing a National Affordable Housing Trust Fund which uses excess income generated by 2 federal housing programs—the Federal Housing Administration (FHA) and the Government National Mortgage Association (GNMA). These federal housing programs generate billions of dollars in excess income which currently go to the general Treasury for use on other federal priorities. It is time to stop taking housing money out of housing programs. These excess funds should be used to help alleviate the current housing crisis.

My proposal would create an affordable housing production, ensuring that new rental units are built for those who most need assistance—extremely low-income families, including working families. In addition, Trust Fund assistance will be used to promote homeownership for low-income families, those families whose incomes are below 80% of the area median income.

The Trust Fund aims to create long-term affordable, mixed-income developments in areas with the greatest opportunities for low-income families.

A majority of assistance from the Trust Fund will be given out as match-

ing grants to the States which will distribute funds on a competitive basis like the low-income housing tax credit. Localities, non-profits, developers and other entities will be eligible to apply for funds. The remaining assistance will be distributed through a national competition to intermediaries, such as non-profits which will be required to leverage private funds for investment in affordable housing.

This proposal will bring federal, State and private resources together to create needed affordable housing opportunities for American families.

We can no longer ignore the lack of affordable housing, and the impact it is having on families and children around the country. It is not clear to me why this lack of housing has not caused more uproar. How many families need to be pushed out of their homes and into the streets, before action is taken. Earlier in this Congress, I proposed a program which would assist in maintaining the affordable housing stock that already exists. I hope that this preservation program is taken up this Congress and passed so that we can avoid losing anymore affordable units. However, we must also focus on producing additional housing, which is exactly what this Housing Trust Fund will do.

Mr. President, I asked of the housing policy experts and practitioners in Massachusetts to work with me to come up with a viable program which would put the government back in the business of producing affordable housing. This legislation is a result of collaboration among numerous organizations and experts. I want to thank in particular, Aaron Gornstein of the citizens Housing and Planning Association in Massachusetts for helping to bring all of the relevant actors to the table to formulate this proposal. I appreciate the help of many people and organizations, but want to mention some people in Massachusetts who were critical in shaping the ideas behind this legislation: Vince O'Donnell of the Community Economic Development Assistance Corp; Peter Gagliardi with the Hampden Hampshire Housing Partnership; Conrad Egan of the National Housing Conference; Joe Flately with the Massachusetts Housing Investment Corporation; Howard Cohen with Beacon Residential; and, Patrick Dober of Lendlease.

I urge you to support this legislation which restores our commitment to providing affordable housing for all families. We can no longer turn our backs on those families who struggle each month just to put a roof over their heads.

I ask unanimous consent to have the text of the legislation, along with a section-by-section summary, and letters of support from a number of organizations including the National Association of Homebuilders, the National Council of State Housing Agencies, the National Low-Income Housing Coalition, the National Coalition for the

Homeless, the National Housing Conference, and others put in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2997

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "National Affordable Housing Trust Fund Act of 2000".

**SEC. 2. PURPOSES.**

The purposes of this Act are to—

(1) fill the growing gap in the national ability to build affordable housing by using profits generated by Federal housing programs to fund additional housing activities, and not supplant existing housing appropriations; and

(2) enable rental housing to be built for those families with the greatest need in areas with the greatest opportunities in mixed-income settings and to promote homeownership for low-income families.

**SEC. 3. NATIONAL HOUSING TRUST FUND.**

(a) **ESTABLISHMENT OF TRUST FUND.**—There is established in the Treasury of the United States a trust fund to be known as the "National Affordable Housing Trust Fund" (referred to in this Act as the "Trust Fund") for the purposes of promoting the development of affordable housing.

(b) **DEPOSITS TO THE TRUST FUND.**—For fiscal year 2001 and each fiscal year thereafter, there is appropriated to the Trust Fund an amount equal to the sum of—

(1) any revenue generated by the Mutual Mortgage Insurance Fund of the Federal Housing Administration in excess of the amount necessary for the Mutual Mortgage Insurance Fund to maintain a capital ratio of 3 percent for the preceding fiscal year; and

(2) any revenue generated by the Government National Mortgage Association in excess of the amount necessary to pay the administrative costs and expenses necessary to ensure the safety and soundness of the Government National Mortgage Association for the preceding fiscal year, as determined by the Secretary.

(c) **EXPENDITURES FROM THE TRUST FUND.**—For fiscal year 2001 and each fiscal year thereafter, amounts appropriated to the Trust Fund shall be available to the Secretary of Housing and Urban Development for use in accordance with section 4.

**SEC. 4. ADMINISTRATION OF NATIONAL AFFORDABLE HOUSING TRUST FUND.**

(a) **DEFINITIONS.**—In this section:

(1) **AFFORDABLE HOUSING.**—The term "affordable housing" means housing for rental that bears rents not greater than the lesser of—

(A) the existing fair market rent for comparable units in the area, as established by the Secretary under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); or

(B) a rent that does not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for number of bedrooms in the unit, except that the Secretary may establish income ceilings higher or lower than 65 percent of the median for the area on the basis of the findings of the Secretary that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(2) **CONTINUED ASSISTANCE RENTAL SUBSIDY PROGRAM.**—The term "continued assistance rental subsidy program" means a program under which—

(A) project-based assistance is provided for not more than 3 years to a family in an affordable housing unit developed with assistance made available under subsection (c) or (d) in a project that partners with a public housing agency, which agency agrees to provide the assisted family with a priority for the receipt of a voucher under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) if the family chooses to move after an initial year of occupancy and the public housing agency agrees to refer eligible voucher holders to the property when vacancies occur; and

(B) after 3 years, subject to appropriations, continued assistance is provided under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)), notwithstanding any provision to the contrary in that section, if administered to provide families with the option of continued assistance with tenant-based vouchers, if such a family chooses to move after an initial year of occupancy and the public housing agency agrees to refer eligible voucher holders to the property when vacancies occur.

(3) **ELIGIBLE ACTIVITIES.**—The term "eligible activities" means activities relating to the development of affordable housing, including—

(A) the construction of new housing;

(B) the acquisition of real property;

(C) site preparation and improvement, including demolition;

(D) substantial rehabilitation of existing housing; and

(E) rental subsidy for not more than 3 years under a continued assistance rental subsidy program.

(4) **ELIGIBLE ENTITY.**—The term "eligible entity" includes any public or private nonprofit or for-profit entity, unit of local government, regional planning entity, and any other entity engaged in the development of affordable housing, as determined by the Secretary.

(5) **ELIGIBLE INTERMEDIARY.**—The term "eligible intermediary" means—

(A) a nonprofit community development corporation;

(B) a community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702));

(C) a State or local trust fund;

(D) any entity eligible for assistance under section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note);

(E) a national, regional, or statewide nonprofit organization; and

(F) any other appropriate nonprofit entity, as determined by the Secretary.

(6) **EXTREMELY LOW-INCOME FAMILIES.**—The term "extremely low-income families" means very low-income families (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)) whose incomes do not exceed 30 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(7) **LOW-INCOME FAMILIES.**—The term "low-income families" has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(8) **SECRETARY.**—The term "Secretary" means the Secretary of Housing and Urban Development.

(9) **STATE.**—The term "State" has the meaning given the term in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)).

(b) **ALLOCATION TO STATES AND ELIGIBLE INTERMEDIARIES.**—For fiscal year 2001 and each fiscal year thereafter, the total amount made available to the Secretary from the Trust Fund under section 3(c) shall be allocated by the Secretary as follows:

(1) 75 percent shall be used to award grants to States in accordance with subsection (c).

(2) 25 percent shall be used to award grants to eligible intermediaries in accordance with subsection (d).

(c) **GRANTS TO STATES.**—

(1) **IN GENERAL.**—Subject to paragraph (2), from the amount made available for each fiscal year under subsection (b)(1), the Secretary shall award grants to States, in accordance with an allocation formula established by the Secretary, based on the pro rata share of each State of the total need among all States for an increased supply of affordable housing, as determined on the basis of—

(A) the number and percentage of families in the State that live in substandard housing;

(B) the number and percentage of families in the State that pay more than 50 percent of their annual income for housing costs;

(C) the number and percentage of persons living at or below the poverty level in the State;

(D) the cost of developing or carrying out substantial rehabilitation of housing in the State;

(E) the age of the multifamily housing stock in the State; and

(F) such other factors as the Secretary determines to be appropriate.

(2) **GRANT AMOUNT.**—

(A) **IN GENERAL.**—The amount of a grant award to a State under this subsection shall be equal to the lesser of—

(i) 4 times the amount of assistance provided by the State from non-Federal sources; and

(ii) the allocation determined in accordance with paragraph (1).

(B) **NON-FEDERAL SOURCES.**—The following shall be considered non-Federal sources for purposes of this section:

(i) 50 percent of funds allocable to tax credits allocated under section 42 of the Internal Revenue Code of 1986.

(ii) 50 percent of revenue from mortgage revenue bonds issued under section 143 of such Code.

(iii) 50 percent of proceeds from the sale of tax exempt bonds.

(3) **AWARD OF STATE ALLOCATION TO CERTAIN ENTITIES.**—

(A) **IN GENERAL.**—If the amount provided by a State from non-Federal sources is less than 25 percent of the amount that would be awarded to the State under this subsection based on the allocation formula described in paragraph (1), not later than 60 days after the date on which the Secretary determines that the State is not eligible for the full allocation determined under paragraph (1), the Secretary shall issue a notice regarding the availability of the funds for which the State is ineligible.

(B) **APPLICATIONS.**—Not later than 9 months after publication of a notice of funding availability under subparagraph (A), a nonprofit or public entity (or a consortium thereof, which may include units of local government working together on a regional basis) may submit to the Secretary an application for the available assistance or a portion thereof, which application shall include—

(i) a certification that the applicant will provide assistance in an amount equal to 25 percent of the amount of assistance made available to the applicant under this paragraph; and

(ii) an allocation plan that meets the requirements of paragraph (4)(B) for use or distribution in the State of any assistance made available to the applicant under this paragraph and the assistance provided by the applicant for purposes of clause (i).

(C) AWARD OF ASSISTANCE.—The Secretary shall award the amount that is not awarded to a State by operation of paragraph (2) to 1 or more applicants that meet the requirements of subparagraph (B) of this paragraph that are selected by the Secretary based on selection criteria, which shall be established by the Secretary by regulation.

(4) DISTRIBUTION TO ELIGIBLE ENTITIES.—

(A) IN GENERAL.—Each State that receives a grant award under this subsection shall distribute the amount made available under the grant and the assistance provided by the State from non-Federal sources for purposes of paragraph (2)(A) to eligible entities for the purpose of assisting those entities in carrying out eligible activities in the State as follows:

(i) 75 percent shall be distributed to eligible entities for eligible activities relating to the development of affordable housing for rental by extremely low-income families in the State.

(ii) 25 percent shall be distributed to eligible entities for eligible activities relating to the development of affordable housing for rental by low-income families in the State, or for homeownership assistance for low-income families in the State.

(B) ALLOCATION PLAN.—Each State shall, after notice to the public, an opportunity for public comment, and consideration of public comments received, establish an allocation plan for the distribution of assistance under this paragraph, which shall be submitted to the Secretary and shall be made available to the public by the State, and which shall include—

(i) application requirements for eligible entities seeking to receive such assistance, including a requirement that each application include—

(I) a certification by the applicant that any housing developed with assistance under this paragraph will remain affordable for extremely low-income families or low-income families, as applicable, for not less than 40 years;

(II) a certification by the applicant that the tenant contribution towards rent for a family residing in a unit developed with assistance under this paragraph will not exceed 30 percent of the adjusted income of that family; and

(III) a certification by the applicant that the owner of a project in which any housing developed with assistance under this paragraph is located will make a percentage of units in the project available to families assisted under the voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) on the same basis as other families eligible for the housing (except that only the voucher holder's expected share of rent shall be considered), which percentage shall not be less than the percentage of the total cost of developing or rehabilitating the project that is funded with assistance under this paragraph; and

(ii) factors for consideration in selecting among applicants that meet such application requirements, which shall give preference to applicants based on—

(I) the amount of assistance for the eligible activities leveraged by the applicant from private and other non-Federal sources, including assistance made available under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) that is devoted to the project in which the housing to be developed with assistance under this paragraph is located;

(II) the extent of local assistance that will be provided in carrying out the eligible activities, including—

(aa) financial assistance; and

(bb) the extent to which the applicant has worked with the unit of local government in which the housing will be located to address issues of siting and exclusionary zoning or other policies that are barriers to affordable housing;

(III) the degree to which the development in which the housing will be located is mixed-income;

(IV) whether the housing will be located in a census tract in which the poverty rate is less than 20 percent or in a community undergoing revitalization;

(V) the extent of employment and other opportunities for low-income families in the area in which the housing will be located; and

(VI) the extent to which the applicant demonstrates the ability to maintain units as affordable for extremely low-income or low-income families, as applicable, through the use of assistance made available under this paragraph, assistance leveraged from non-Federal sources, assistance made available under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), State or local assistance, programs to increase tenant income, cross-subsidization, and any other resources.

(C) FORMS OF ASSISTANCE.—

(I) IN GENERAL.—Assistance distributed under this paragraph may be in the form of capital grants, non-interest bearing or low-interest loans or advances, deferred payment loans, guarantees, and any other forms of assistance approved by the Secretary.

(ii) REPAYMENTS.—If a State awards assistance under this paragraph in the form of a loan or other mechanism by which funds are later repaid to the State, any repayments received by the State shall be distributed by the State in accordance with the allocation plan described in subparagraph (B) the following fiscal year.

(D) COORDINATION WITH OTHER ASSISTANCE.—In distributing assistance under this paragraph, each State shall, to the maximum extent practicable, coordinate such distribution with the provision of other affordable housing assistance by the State, including—

(i) housing credit dollar amounts allocated by the State under section 42(h) of the Internal Revenue Code of 1986;

(ii) assistance made available under the HOME Investment Partnerships Act or the community development block grant program; and

(iii) private activity bonds.

(d) NATIONAL COMPETITION.—

(1) IN GENERAL.—From the amount made available for each fiscal year under subsection (b)(2), the Secretary shall award grants on a competitive basis to eligible intermediaries, which shall be used in accordance with paragraph (3) of this subsection.

(2) APPLICATION REQUIREMENTS AND SELECTION CRITERIA.—The Secretary by regulation shall establish application requirements and selection criteria for the award of competitive grants to eligible intermediaries under this subsection, which criteria shall include—

(A) the ability of the eligible intermediary to meet housing needs of low-income families on a national or regional scope;

(B) the capacity of the eligible intermediary to use the grant award in accordance with paragraph (3), based on the past performance and management of the applicant; and

(C) the extent to which the eligible intermediary has leveraged funding from private

and other non-Federal sources for the eligible activities.

(3) USE OF GRANT AWARD.—

(A) IN GENERAL.—Except as provided in subparagraph (B), each eligible intermediary that receives a grant award under this subsection shall ensure that the amount made available under the grant is used as follows:

(i) 75 percent shall be used for eligible activities relating to the development of affordable housing for rental by extremely low-income families.

(ii) 25 percent shall be used for eligible activities relating to the development of affordable housing for rental by low-income families, or for homeownership assistance for low-income families.

(B) EXCEPTION.—

(i) IN GENERAL.—If the amount made available under a grant award under this subsection is used for a project described in clause (ii), an eligible intermediary may use the amount made available under the grant for eligible activities relating to the development of housing for rental by families whose incomes are less than 60 percent of the area median income, and for homeownership activities for families whose incomes are less than 80 percent of area median income.

(ii) PROJECT CONTRIBUTING TO A CONCERTED COMMUNITY REVITALIZATION PLAN.—A project is described in this clause if—

(I) it is located in a community undergoing concerted revitalization and is contributing to a community revitalization plan; and

(II) it is located in a census tract in which—

(aa) the median household income is less than 60 percent of the area median income; or

(bb) the rate of poverty is greater than 20 percent.

(C) PLAN OF USE.—Each eligible intermediary that receives a grant award under this subsection shall establish a plan for the use or distribution of the amount made available under the grant, which shall be submitted to the Secretary, and which shall include information relating to the manner in which the eligible intermediary will either use or distribute that amount, including—

(i) a certification that assistance made available under this subsection will be used to supplement assistance leveraged from private and other non-Federal sources, including assistance made available under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) that is devoted to the project in which the housing to be developed is located;

(ii) a certification that local assistance will be provided in the carrying out the eligible activities, which may include—

(I) financial assistance; and

(II) a good faith effort to work with the unit of local government in which the housing will be located to address issues of siting and exclusionary zoning or other policies that are barriers to affordable housing;

(iii) a certification that any housing developed with assistance under this subsection will remain affordable for extremely low-income families or low-income families, as applicable, for not less than 40 years;

(iv) a certification that any housing developed by the applicant with assistance under this subsection will be located—

(I) in a mixed-income development in a census tract having a poverty rate of not more than 20 percent, and near employment and other opportunities for low-income families; or

(II) in a community undergoing revitalization;

(v) a certification that the tenant contribution towards rent for a family residing in a unit developed with assistance under

this paragraph will not exceed 30 percent of the adjusted income of that family; and

(vi) a certification by the applicant that the owner of a project in which any housing developed with assistance under this subsection is located will make a percentage of units in the project available to families assisted under the voucher program under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) on the same basis as other families eligible for the housing (except that only the voucher holder's expected share of rent shall be considered), which percentage shall not be less than the percentage of the total cost of developing or rehabilitating the project that is funded with assistance under this subsection.

(D) FORMS OF ASSISTANCE.—

(i) IN GENERAL.—An eligible intermediary may distribute the amount made available under a grant under this subsection in the form of capital grants, non-interest bearing or low-interest loans or advances, deferred payment loans, guarantees, and other forms of assistance.

(ii) REPAYMENTS.—If an eligible intermediary awards assistance under this subsection in the form of a loan or other mechanism by which funds are later repaid to the eligible intermediary, any repayments received by the eligible intermediary shall be distributed by the eligible intermediary in accordance with the plan of use described in subparagraph (C) the following fiscal year.

**SEC. 5. REGULATIONS.**

Not later than 6 months after the date of enactment of this Act, the Secretary of Housing and Urban Development shall promulgate regulations to carry out this Act.

**SECTION BY SECTION OF NATIONAL AFFORDABLE HOUSING TRUST FUND LEGISLATION**

**SECTION 1: SHORT TITLE**

National Affordable Housing Trust Fund Act of 2000.

**SECTION 2: PURPOSES**

The purpose of this Act is to use profits generated by federal housing programs to help alleviate the current housing crisis by funding new construction of affordable rental housing in mixed-income developments and homeownership activities.

**SECTION 3: NATIONAL HOUSING TRUST FUND**

This Section establishes a National Affordable Housing Trust Fund ("Trust Fund") in the Treasury of the U.S. Excess revenue generated by the Federal Housing Administration ("FHA") and the Government National Mortgage Association ("GNMA") will be transferred to the Trust Fund in fiscal year 2001 and each year thereafter for eligible uses.

FHA revenue, in excess of an amount necessary for the FHA to retain 3% capital, will be transferred to the Trust Fund. FHA is currently required to maintain 2% capital. GNMA revenues will also be captured, above what the Secretary determines is necessary for safe and sound operations.

**SECTION 4: ADMINISTRATION OF NATIONAL AFFORDABLE HOUSING TRUST FUND**

This Section describes how Trust Fund assistance will be allocated and for what uses. 75% of Trust Fund assistance will be given as matching grants to States and 25% will be awarded by HUD through a national competition, as follows:

*Matching Grants to States.* 75% of the Trust Fund will be given as matching grants to States on a formula based on factors related to need for housing in the State. States will be required to match 25% of the federal grant with non-federal funds. If a State does not come up with the requisite match, public and non-profit entities can apply for the State's portion of funds.

States will distribute assistance according to need and criteria, including: whether the development will be mixed income; whether the development is located in a low-poverty census tract or a community experiencing revitalization; and the amount of additional funding devoted to the project.

75% of Trust Fund assistance distributed by each State must be used for the construction of rental housing for extremely low-income households (income under 30% of area median income) in mixed income developments which must remain affordable for 40 years. The bill establishes a "Continued Assistance Rental Subsidy Program" under which a developer may use funds for up to three years of operating subsidy, so long as it partners with a local housing agency to ensure a stream of eligible tenants to the units, and the housing agency agrees to provide one tenant in those units with a voucher to move if the tenant so chooses.

The other 25% of assistance may be used for low-income families (incomes under 80% of area median income) for construction of rental housing or for homeownership activities.

*National Competition*

25% of the Trust Fund will be awarded by HUD through competitive grants to non-profit intermediaries, who will use and distribute the funds based on the same criteria as required by the States. While there is no specific matching requirement, HUD must give priority to those intermediaries which leverage the greatest amount of private and non-federal funds.

Like the State grants, 75% of assistance must be used for rental housing for extremely low-income households in mixed income developments, and the units must remain affordable for 40 years, and the other 25% of assistance must be used for low-income families for rental housing or homeownership activities. However, if a project contributes to a community revitalization plan, these targeting requirements are waived, so long as the households assisted in the project have incomes under 60% of the area median income.

**SECTION 5: REGULATIONS**

HUD is required to promulgate regulations within 6 months of the date of enactment of this bill.

**CITIZENS' HOUSING AND PLANNING ASSOCIATION, INC.,**

*Boston, MA, July 26, 2000.*

Senator JOHN F. KERRY,  
*Russell Senate Office Building,*  
*Washington, DC.*

DEAR SENATOR KERRY: On behalf of Citizens' Housing and Planning Association (CHAPA), I wanted to express our strong support for the national housing trust fund legislation that you will be filing this week. CHAPA is the largest and most diverse housing advocacy organization in New England, representing more than 1,500 housing providers, advocates, government officials, lenders, and others.

In Massachusetts, we are in the midst of the most acute housing crisis on record. The number of Massachusetts households with severe housing needs has reached an all-time high. Nearly 245,000 households pay more than half of their incomes for rent, a 21 percent jump since 1990. Since 1997, 10,000 Massachusetts families have been homeless each year, double the number since 1990.

The clear solution to this problem is to build and preserve more affordable housing for low income families. The trust fund legislation, which you are sponsoring, will lead to the creation of thousands of affordable rental units across the country. We are pleased that the focus of this program will be to cre-

ate new housing for low income families who are facing the biggest housing squeeze.

We also are extremely pleased that the trust fund provides flexible funds to the states and non-profit developers so that these entities can tailor solutions to meet local needs. The proposed program encourages the leveraging of private funds and the creation of mixed income housing.

Thank you once again for playing an outstanding leadership role on affordable housing. We hope that Congress will act expeditiously on this critical legislation.

Sincerely,

AARON GORNSTEIN,  
*Executive Director.*

NATIONAL HOUSING CONFERENCE,  
*Washington, DC, July 27, 2000.*

Hon. JOHN F. KERRY,  
*Senate Russell Office Building,*  
*Washington, DC.*

DEAR SENATOR KERRY: We, the National Housing Conference, would like to extend our thanks to you for introducing the National Housing Trust Fund Act of 2000. The NHC is a broad-based nonpartisan advocate for national policies that promote suitable housing in a safe, decent environment across the nation. The NHC consists of members from across the entire spectrum of the housing industry. Since 1931, the NHC has demonstrated itself to be known as the united voice for housing.

We are writing to pledge our support for your act because we know you understand that:

(1) There is a compelling need for federal legislation to construct affordable housing. Last month, our research affiliate, the Center for Housing Policy, released a report titled "Housing America's Working Families." The report demonstrated that despite the unprecedented economic prosperity that this nation has been experiencing, one out of every seven families has a critical housing need—They are either spending over half their total income on rent or they are living in severely inadequate units. These families—many of them moderate-income working families—are teetering on an all-too precarious ledge. Housing is a fundamental human need and we believe that it is a shame that so many of America's families are faced with such pressing housing problems, particularly in an era of such economic abundance.

(2) The National Housing Trust Fund Act of 2000 would help alleviate that need. The Act would allocate much needed funds toward the construction and preservation of a range of quality housing choices for low and moderate income people. An increase in affordable housing options would provide many needy families with better equalities of life. The National Housing Trust Fund would supplement and complement existing supply-oriented programs such as public housing, HOME, and the Low Income Housing Tax Credit. Furthermore, Ann Schnare, President of the Center for Housing Policy said in a testimony on June 20th before Senator Allard, "Many states and local jurisdictions have established Housing Trust Funds to capture revenue from many sources for affordable housing. An analogous trust fund should be established at the federal level. . . It could further encourage and strengthen affordable housing efforts at the state and local levels by providing incentives and developing partnerships with various entities."

It is important to note that the National Housing Trust Fund would be in addition to existing appropriated funds and would not supplant those appropriations. It would be financed solely by excess income generated by the FHA and by Ginnie Mae. If we establish this National Housing Trust Fund we will

ensure for countless future generations of Americans that there will always be dependable affordable housing options.

Clearly, the National Housing Trust Fund Act is a good step in the right direction. Too many people in our country are lacking a fundamental human necessity—adequate housing. This act would create provisions to mitigate some of this critical housing need. Trust funds have been developed in the past for other national priorities such as Social Security, highways, and airports. We're glad that you agree that it is about time for us to make housing a national priority as well.

Sincerely,

ROBERT J. REID,  
*Executive Director.*

NATIONAL ASSOCIATION OF REALTORS,  
*Washington, DC, July 26, 2000.*

Hon. JOHN F. KERRY,  
*Subcommittee on Housing and Transportation,  
Committee on Banking, Housing and Urban  
Affairs, U.S. Senate, Washington, DC.*

DEAR SENATOR KERRY: On behalf of the more than 760,000 members of the National Association of Realtors, I am pleased to indicate our support for your legislation. The National Affordable Housing Trust Fund Act of 2000. We believe this important legislation reduces the barriers to affordable housing production and closes the gap in needed housing opportunities for American families, and we welcome the opportunity to work with you to gain its passage.

As you know, millions of working American families are facing a housing affordability crisis despite an unprecedented run of economic growth and prosperity. This phenomenon is exacerbated by the continuing decline of our nation's affordable housing stock. The increase in demand coupled with the diminishing supply of affordable units are straining housing capacity in many communities nationwide, leading to a rise in homelessness for many worthy American working families.

The National Association of Realtors believes the time is appropriate to address our nation's affordable housing crisis as a national priority and forge a coherent and focused set of policies for immediate adoption. Your legislation establishing a trust fund utilizing revenues created through the popular and successful FHA homeownership program for usage in other critical housing areas is an insightful and innovative response to the shortage of affordable housing units. We strongly support this objective and we stand ready to work with you and the Subcommittee during deliberation of your bill.

Sincerely,

DENNIS R. CRONK,  
*President.*

NATIONAL ASSOCIATION OF HOME  
BUILDERS, FEDERAL GOVERNMENT  
AFFAIRS DIVISION,  
*Washington, DC, July 27, 2000.*

Hon. JOHN KERRY,  
*Ranking Member, Senate Subcommittee on  
Housing and Transportation, Russell Senate  
Office Building, Washington, DC.*

DEAR SENATOR KERRY: On behalf of the 200,000 members of the National Association of Home Builders (NAHB), I want to extend to you our appreciation and support for your efforts to introduce legislation to establish a "National Affordable Housing Trust Fund".

NAHB supports your proposal to establish a National Affordable Housing Trust Fund for the production of affordable housing. Indeed, your goal to divert funds from both the "surplus" existing within the Mutual Mortgage Insurance Fund (MMI Fund) and excess revenue generated by the Government National Mortgage Association into affordable

housing development, is laudable. The growing need for decent affordable housing is well documented. We appreciate your work and interest in this issue and want to assist you in any way to facilitate movement of this legislation.

Again, thank you for your efforts to address the shortage of affordable housing in America.

Sincerely,

GERALD M. HOWARD,  
*Senior Staff Vice President.*

NATIONAL COUNCIL OF  
STATE HOUSING AGENCIES,  
*Washington, DC, July 26, 2000.*

Hon. JOHN F. KERRY,  
*Russell Senate Office Building,  
Washington, DC.*

DEAR SENATOR KERRY: On behalf of the housing finance agencies (HFAs) of the 50 states, the National Council of State Housing Agencies (NCSHA) commends you for introducing the "National Affordable Housing Trust Fund Act" (Trust). Given the tremendous and ever-growing need for decent and affordable housing, it is imperative that any surplus the FHA fund generates be rededicated to housing America's low income families.

In this era of unprecedented economic prosperity, the number of families experiencing worst case housing needs has increased dramatically. According to a recent study published by The Center for Housing Policy, 13.7 million families had critical housing needs in 1997, including six million working and nearly four million elderly households. In the face of these alarming statistics, the affordable housing stock has lost over one million units between 1993 and 1998.

Housing need, though great everywhere, varies dramatically among and within the states. In some states, newly produced rental housing for very low income families is the greatest need. In others, preserving the irreplaceable low-cost rental inventory is the highest priority.

Your bill responds effectively to these diverse housing needs by allocating Trust funds directly to the states. States understand their housing needs and are in the best position to leverage these funds with other housing resources. The sound and efficient administration of the Housing Credit and the HOME programs are clear evidence of states' capacity to administer the Trust fund.

We look forward to working with you as you move this bill forward to design a delivery system that relies on the states and their private and public sector partners to direct these precious resources to their most pressing housing needs. Thank you for all you are doing to expand affordable housing opportunity.

Sincerely,

BARBARA J. THOMPSON,  
*Director of Policy and Government Affairs.*

NATIONAL LOW INCOME  
HOUSING COALITION/LIHIS,  
*Washington, DC, July 26, 2000.*

Hon. JOHN F. KERRY,  
*U.S. Senate, Russell Senate Office Building,  
Washington, DC.*

DEAR SENATOR KERRY: On behalf of the National Low Income Housing Coalition. I am pleased to offer our support for the National Affordable Housing Trust Fund Act of 2000, which you will introduce shortly. HLIHC is a membership organization dedicated solely to ending the affordable housing crisis in America. The National Affordable Housing Trust Fund that you propose offers concrete and sustainable resources towards achieving that goal.

The dimensions of the affordable housing crisis are well documented. As you know, no-

where in the United States can a full time minimum wage worker afford a one-bedroom unit at the fair market rent. The housing wage, that is, the hourly wage one must earn to afford the fair market rent, ranges from \$8.02 in West Virginia to \$17.01 in Hawaii. The supply of housing that is affordable to low wage workers and elderly and disabled people on fixed incomes is dwindling while the rents of the remaining units are escalating. Even those families that are fortunate enough to receive a federal housing voucher often are not able to find housing they can afford with the voucher. The need for new affordable housing production resources is serious and urgent.

The Housing Trust Fund provides a dedicated source of funding for the production or rehabilitation of rental housing. The use of excess revenue from FHA and Ginnie Mae for this purpose is sensible housing policy. We are very pleased that a majority of the funds will be targeted to housing that is to be affordable to extremely low income households for at least 40 years. This is the population with the most severe housing problems and for whom the fewest resources are available to increase the supply of affordable housing. We also commend the decision to make operating support an eligible activity for three years and the preference for projects that can demonstrate an ongoing source of operating subsidy.

We look forward to working with you towards passage of this important new federal housing legislation. Thank you for your continued leadership on housing issues in the Congress.

Sincerely,

SHEILA CROWLEY,  
*President.*

NATIONAL COALITION FOR THE  
HOMELESS,  
*Washington, DC, July 26, 2000.*

Senator JOHN KERRY,  
*Russell Building, Washington, DC.*

DEAR SENATOR KERRY: "They've got jobs, they just can't find housing they can afford," is the comment we hear from local providers across the country as they talk about the unmet housing needs of an increasing number of families and individuals who have consequently become homeless in their communities. It is, therefore, with great enthusiasm that the National Coalition for the Homeless supports the National Affordable Housing Trust Fund, and strongly encourages its expedited enactment and implementation.

As you know, for the past two decades, we have been consistently rescinding our commitment to "decent housing for all Americans". As a result, the need for affordable housing is profound throughout the nation, in communities of diverse sizes and socioeconomic circumstances, and most especially among extremely low-income households. For this reason, we are seeing an unprecedented number of employed men and women who have been forced into homelessness. I was recently visiting a 250-bed single men's shelter in an urban setting, where 70% of the residents were employed, most full time, and what they got for their efforts, was a thin mat on a concrete floor to call their 'home'. We are also finding very significant rates of homelessness among families who are doing what they have been asked to do—moving from welfare to work—but because of their low-wages are not able to afford stable housing in healthy neighborhoods, which compromises both their long-term employability and the health and well-being of their children. We all want welfare reform to work; the missing link has always been affordable housing.

Knowing that the availability of affordable housing is fundamental to insuring that

working families can expect to meet their basic needs, we are very grateful for your leadership in taking us as a nation down the path of truly valuing individual and family stability enough to ensure housing opportunities for those without the resources to do it alone. The National Affordable Housing Trust Fund represents America at her best—opportunities and basic resources being made available to all among us. Thank you for helping to bring America home again.

Sincerely,

MARY ANN GLEASON,  
*Housing Policy Analyst.*

THE ENTERPRISE FOUNDATION,  
*Washington, DC, July 26, 2000.*

Hon. JOHN F. KERRY,  
*Ranking Member, Subcommittee on Housing and Transportation, Committee on Banking, Housing and Urban Affairs, Senate Hart Office Building, Washington, DC.*

DEAR SENATOR KERRY: On behalf of The Enterprise Foundation, the more than 1,500 community development organizations that we represent and the millions of low-income Americans living in poverty, we applaud your efforts to increase the number of permanently affordable homes available for those families most in need by establishing The National Affordable Housing Trust Fund. The proposed legislation, "The National Affordable Housing Trust Fund of 2000," provides additional funding to the states and nonprofit organizations for the development of decent, safe and affordable housing for low-income families.

The Enterprise Foundation is a national nonprofit housing and community development organization dedicated to rebuilding distressed neighborhoods. Central to our mission is to see that all low-income people in the United States have the opportunity for fit and affordable housing and to move up and out of poverty into the mainstream of American life. Therefore, we see firsthand the critical need for this legislation as a way to combat the growing affordable housing crisis faced by our nation.

At a time of unprecedented national prosperity, it is unconscionable that an ever larger number of Americans have trouble securing decent, affordable housing. In fact, it is a side effect of our booming economy that rents are rising faster than wages for poor working Americans. This historic legislation recognizes that now is the time to deal with our national need to produce more safe and sanitary housing for low-income Americans.

Your bill strikes a thoughtful balance between devolution to the states and federal innovation. It allows states to decide how to spend the majority of the grant funds according to their housing needs but also allows for federal funding of innovative private/public partnership models as a way to leverage limited public resources.

We look forward to working with you on this bill throughout the legislative process and admire your leadership and continued efforts to address the critical housing needs of our nation's lower-income families. With your support we look forward to continuing our mission to rebuild distressed communities by providing people the tools they need to move out of poverty.

Sincerely,

KRISTIN SIGLIN,  
*Vice President.*

Mr. SARBANES. Mr. President, I come to the floor today to voice my support for the National Affordable Housing Trust Fund Act introduced by Senator KERRY. Establishing a National Affordable Housing Trust Fund is a necessary and timely legislative initiative.

The number of families in our country who live in substandard housing, or pay more than 50 percent of their income for housing costs—the factors considered in determining worst case housing need—is staggering. Recent studies show that 5.4 million American families have worst case housing needs. This is 100,000 more families than were classified as worst case housing needs just last year.

In addition, no family making minimum wage can afford the fair market rent for a two bedroom apartment in any metro area in the country. On average, a person needs to earn over \$11 to afford an apartment in any American metro area, but this number is even higher in many parts of the country. For instance, in Baltimore a person must earn over \$12 an hour, or \$24,000 a year to afford the rent on a two bedroom apartment.

Traditionally, the government has helped families who do not earn enough to afford a place to live with section 8 vouchers. However, in today's booming real estate market, a section 8 voucher is no guarantee of finding a place to live.

Currently, families in Maryland wait upwards of 31 months to get a section 8 housing voucher. Once they receive the voucher, they face a new challenge: finding an apartment that is affordable for them.

Recent articles in the Washington Post have highlighted the trials of poor working families attempting to find affordable housing both with and without federal assistance. One Fairfax, Virginia woman working full time and living in a shelter called over 30 landlords, none of which had vacancies that she could afford. Another social worker commented that the voucher holders she counseled had to call close to 100 different developments to find a unit. The reality is that there are simply not enough affordable housing units in our country to meet the needs of low income Americans.

This situation is simply unacceptable. The working poor of our country deserve decent places to live. Adequate housing is an essential need for all Americans. It is the anchor that allows families to thrive.

Children can't learn if they are forced to attend 3 or 4 schools in a single year as their parents move from friend to friend because they cannot afford the rent. Workers can't find jobs or get training if they spend their days fighting to put a roof over their kids' heads. A sick person will not get well if she spends her days huddled on a grate, waiting for a bed in an emergency shelter.

Senator KERRY's bill would address our country's severe affordable housing crisis by establishing an Affordable Housing Trust Fund that will support the construction of additional affordable housing.

The Trust Fund is designed to create long-term affordable, mixed income housing developments in areas where

low-income families will have access to transportation, social services, and job opportunities. It is also designed to help in areas where local governments are committed to revitalization. These priorities are explicitly laid out in the legislation.

The bottom line is that we need to provide more resources to states, local governments and non-profits who are working to build more affordable housing. Unless we build more affordable units we will not be able to solve the housing crisis we have today.

This bill is an opportunity for us to take advantage of our booming economy to do this. I encourage my colleagues to join me in supporting National Affordable Housing Trust Fund Act.

Mr. WELLSTONE. Mr. President, I am proud to join my colleagues here today as co-sponsor of this bill which represents an important step forward in solving the shortage of affordable housing. The need for affordable housing has reached epic proportions and touches all of our communities. The time for action is now.

The National Affordable Housing Trust Fund will be used to produce housing that is affordable to very low income families. It will provide states matching grant funds to produce affordable housing and engage in homeownership activities. It will allow nonprofit intermediaries to compete for funds to produce housing. Most importantly, however, is it will use the proceeds from our investment in promoting homeownership to build homes for low income families.

Mr. President, in 1997, 5.4 million households with 12.3 million people paid more than one half of their income in rent or lived in seriously substandard housing. Who are these 12.3 million people? 1.5 million are elderly persons, 4.3 million are children and between 1.1 and 1.4 million are adults with disabilities. We can afford to do better. This is a prosperous nation that can afford to solve this problem.

In my own state of Minnesota, a worker must earn \$11.54 an hour, 40 hours a week, 522 weeks out of the year to afford a fair market rent for a two bedroom apartment. \$11.54. That's more than double the minimum wage. In fact, to afford a two bedroom apartment at minimum wage, families must work 88 hours a week. 88 hours. That's barely possible for a two parent family, and it is completely impossible for single parent families.

The poorest families are particularly hard hit. In Minneapolis-St. Paul, a study conducted by the Family Housing Fund found 68,900 renters with incomes below \$10,000 in Minneapolis-St. Paul and only 31,200 housing units with rents affordable to those families. That is more than two families for each unit affordable to a family at that income level and there is every indication it is getting worse.

Given this information, it isn't hard to understand why the number of families entering emergency shelters and

using emergency food pantries is on the rise. In fact, more and more of the homeless are working full time and are still unable to find housing.

Mr. President, we must do more. The shortage of affordable housing is so drastic that in Minneapolis-St. Paul, like many other cities, even those families fortunate enough to receive housing vouchers cannot find a rental unit. Landlords are becoming increasingly selective given the demand for housing and are requiring three months security deposit, hefty application fees and credit checks that price the poor and young new renters out of the market.

Let me share a story that truly struck me. In February, the Minneapolis Public Housing Authority distributed applications for families in the region interested in public housing. This was the first time since 1996 applications were accepted for public housing and it will likely to be last time for several years. Six thousand families sought applications for public housing in six days. An average of 1,000 families each day requested applications to reside in public housing in one metropolitan area.

Those families were not applying for free housing. Residents would be required to pay one third of their income in rent. This is not luxury housing. Many families seem to look upon public housing with disdain, though I know those communities are rich with the talents and contributions of their tenants. This is not even immediate housing. Many of those families will wait years to get into public housing.

Clearly this is a sign that the demand for housing far exceeds the supply. There is an immediate need to produce more affordable housing. Fortunately, we can afford to do this. Fortunately, we have a plan to do this.

Mr. President, I know it is hard to think about poverty when we are surrounded by so much prosperity. But economic prosperity has not touched every family. Instead the gap between income groups continues to widen and the gap between what low income families earn and what they must pay for housing also appears to be widening.

The Bureau of Labor Statistics report that between 1995 and 1997 rents increased faster than income for the 20 percent of American households with the lowest incomes. The Consumer Price Index for Resident Rent rose 6.2 percent, higher than the 3.9 percent rate of inflation for the same period.

The skyrocketing rents are fueled by the shortage of housing. The demand for housing exceeds the supply, so in the private market the rents spiral upwards and far beyond the reach of the poor and often well-beyond the reach of the middle class who find themselves priced out of the very communities they grew up in.

This affects families with children, elderly persons and persons with disabilities. It affects the well-being of businesses. The cost of housing has skyrocketed in some communities to a

level that businesses cannot retain workers because their workers cannot afford to live in those communities. The shortage of housing is making it difficult for communities to retain some of our most essential workers. Police, firemen, teachers are all being priced out of the very communities they seek to serve!

Mr. President, I am proud to be part of this effort that will generate more affordable housing for low income families. It is time to heed the call we are all hearing from our constituents. There is not one town, county or metropolitan area in this nation where a family can afford a two bedroom fair market rental working full time, year round at minimum wage. Not one state where a family who receives TANF can afford a two bedroom fair market rental unit.

Families respond to the shortage of housing by crowding into smaller units. A one bedroom. An efficiency. Perhaps they rent seriously substandard housing, exposing their children to lead poisoning, living in neighborhoods where they don't feel safe allowing their children to play outdoors. Housing with leaky roofs, bad plumbing, rodents, roaches. Perhaps they pay more than the recommended 30 percent of their income in rent, maybe 40 percent, 50 percent or more.

Families may do without what we might consider necessities. Not luxuries, but necessities such as gas, heat, and electricity. Families so financially stressed that one small crisis can send them tumbling. Perhaps families double up, two families in a home. Multiple generations crowded under one roof. When the stress of multiple families becomes unbearable, they are left with homeless shelters.

Mr. President, in a recent study of homelessness in Minneapolis-St. Paul, The Family Housing Fund reported that more and more children experience homelessness. In one night in 1987, 244 children in the Twin Cities were in a shelter or other temporary housing. In 1999, 1,770 children were housed in shelter or temporary housing. Let me repeat that, 1,770 children in the Minneapolis-St. Paul area on one night alone sent the night in a homeless shelter or temporary housing. Seven times the number in 1987. And families are spending longer periods of time homeless. If they have a family crisis, if they lost their housing due to an eviction, if they have poor credit histories, if they can't save up enough for a two or three month security deposit, they will have longer stretches, longer periods of time in emergency shelters before they transition into homes.

Mr. President, we are experiencing unprecedented prosperity. It is time to make a commitment to ensuring families have access to decent affordable housing. We can afford to do this. In fact, we cannot afford not to do this.

By Mr. ROBB:

S. 3000. A bill to authorize the exchange of land between the Secretary

of the Interior and the Director of the Central Intelligence Agency at the George Washington Memorial Parkway in McLean, Virginia, and for other purposes; to the Committee on Energy and Natural Resources.

BILL TO AUTHORIZE A LAND EXCHANGE BETWEEN THE SECRETARY OF THE INTERIOR AND THE DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY AT THE GEORGE WASHINGTON MEMORIAL PARKWAY IN MCLEAN VIRGINIA.

Mr. ROBB. Mr. President, the bill I am introducing today simply allows for a land exchange between the National Park Service and the Central Intelligence Agency. This exchange will enable the CIA to address security issues at the entrance to their complex, while preserving access to the Federal Highway Administration's Turner-Fairbanks Highway Research Center.

The exchange is currently the subject of an Interagency Agreement between the National Park Service, George Washington Memorial Parkway, and the Central Intelligence Agency. This is a simple exchange that I am sure can be acted on in short order.

I ask unanimous consent that the bill in its entirety be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3000

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AUTHORIZATION OF LAND EXCHANGE.**

(a) IN GENERAL.—Subject to section 2, the Secretary of the Interior (referred to in this Act as the "Secretary") and the Director of Central Intelligence (referred to in this Act as the "Director") may exchange—

(1) approximately 1.74 acres of land under the jurisdiction of the Department of the Interior within the boundary of the George Washington Memorial Parkway, as depicted on National Park Service Drawing No. 850/81992 dated August 6, 1998; for

(2) approximately 2.92 acres of land under the jurisdiction of the Central Intelligence Agency adjacent to the boundary of the George Washington Memorial Parkway, as depicted on National Park Service Drawing No. 850/81991, Sheet 1, dated August 6, 1998.

(b) PUBLIC INSPECTION.—The drawings referred to in subsection (a) shall be available for public inspection in appropriate offices of the National Park Service.

**SEC. 2. CONDITIONS OF LAND EXCHANGE.**

(a) NO REIMBURSEMENT OR CONSIDERATION.—The exchange described in section 1 shall occur without reimbursement or consideration;

(b) PUBLIC ACCESS FOR MOTOR VEHICLE TURN-AROUND.—The Director shall allow public access to a road on the land described in subsection (a)(1) for a motor vehicle turn-around on the George Washington Memorial Parkway.

(c) TURNER FAIRBANK HIGHWAY RESEARCH CENTER.—The Director shall allow access to the land described in subsection (a)(1) by—

(1) employees of the Turner Fairbank Highway Research Center of the Federal Highway Administration; and

(2) other Federal employees and visitors whose admission to the Center is authorized by the Center.

(d) CLOSURE TO PROTECT CENTRAL INTELLIGENCE AGENCY.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3) and notwithstanding any other provision of this section the Director may close access to the land described in subsection (a)(1) to all persons (other than the United States Park Police, other necessary employees of the National Park Service, and employees of the Turner-Fairbank Highway Research Center of the Federal Highway Administration) if the Director determines that the physical security conditions require the closure to protect employees or property of the Central Intelligence Agency.

(2) TIME LIMITATION.—The Director may not close access to the land under paragraph (1) for more than 12 hours during any 24-hour period unless the Director consults with the National Park Service, the Turner-Fairbank Highway Research Center of the Federal Highway Administration, and the United States Park Police.

(3) TURNER FAIRBANK HIGHWAY RESEARCH CENTER.—No action shall be taken under this subsection to diminish access to the land described in subsection (a)(1) by employees of the Turner-Fairbank Highway Research Center of the Federal Highway Administration except when the access to the land is closed for security reasons.

(e) The Director shall ensure compliance by the Central Intelligence Agency with the deed restrictions for the transferred land as depicted on National Park Service Drawing No. 850/81992, dated August 6, 1998.

(f) The National Park Service and the Central Intelligence Agency shall comply with the terms and conditions of the Interagency Agreement between the National Park Service and the Central Intelligence Agency signed in 1998 regarding the exchange and management of the lands discussed in that agreement.

(g) The Secretary and the Director shall complete the transfers authorized by this section not later than 120 days after the date of enactment of this Act.

### SEC. 3. MANAGEMENT OF EXCHANGED LANDS.

(a) The land conveyed to the Secretary under section 1 shall be included within the boundary of the George Washington Memorial Parkway and shall be administered by the National Park Service as part of the parkway subject to the laws and regulations applicable thereto.

(b) The land conveyed to the Central Intelligence Agency under section 1 shall be administered as part of the Headquarters Building Compound of the Central Intelligence Agency.

### ADDITIONAL COSPONSORS

S. 279

At the request of Mr. MCCAIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 279, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 913

At the request of Ms. COLLINS, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 913, a bill to require the Secretary of Housing and Urban Development to distribute funds available for grants under title IV of the Stewart B. McKinney Homeless Assistance Act to help ensure that each State received not less than 0.5 percent of such funds for certain programs, and for other purposes.

S. 922

At the request of Mr. ABRAHAM, the names of the Senator from Oregon (Mr. WYDEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Alabama (Mr. SHELBY) were added as cosponsors of S. 922, a bill to prohibit the use of the "Made in the USA" label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 1017

At the request of Mr. MACK, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1020

At the request of Mr. GRASSLEY, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1085

At the request of Mrs. MURRAY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 1085, a bill to amend the Internal Revenue Code of 1986 to modify the treatment of bonds issued to acquire renewable resources on land subject to conservation easement.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1487

At the request of Mr. AKAKA, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. 1487, a bill to provide for excellence in economic education, and for other purposes.

S. 1558

At the request of Mr. BAUCUS, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 1558, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for holders of Community Open Space bonds the proceeds of which are used for qualified environmental infrastructure projects, and for other purposes.

S. 1732

At the request of Mr. BREAUX, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 1732, a bill to amend the Internal Revenue Code of 1986 to prohibit certain allocations of S corporation stock held by an employee stock ownership plan.

S. 1822

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1822, a bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require that group and individual health insurance coverage and group health plans provide coverage for treatment of a minor child's congenital or developmental deformity or disorder due to trauma, infection, tumor, or disease.

S. 2003

At the request of Mr. JOHNSON, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 2003, a bill to restore health care coverage to retired members of the uniformed services.

S. 2018

At the request of Mrs. HUTCHISON, the names of the Senator from Ohio (Mr. VOINOVICH) and the Senator from Ohio (Mr. DEWINE) were added as cosponsors of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2071

At the request of Mr. GORTON, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 2071, a bill to benefit electricity consumers by promoting the reliability of the bulk-power system.

S. 2183

At the request of Mr. CRAPO, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 2183, a bill to ensure the availability of spectrum to amateur radio operators.

S. 2386

At the request of Mrs. FEINSTEIN, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 2386, a bill to extend the Stamp Out Breast Cancer Act.

S. 2394

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2394, a bill to amend title XVIII of the Social Security Act to stabilize indirect graduate medical education payments.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from Maine (Ms. COLLINS), the Senator from Utah (Mr. HATCH), the Senator from California (Mrs. FEINSTEIN), the Senator from Idaho (Mr. CRAPO), the Senator from Maine (Ms. SNOWE), and the Senator from Delaware (Mr. ROTH) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2589

At the request of Mr. JOHNSON, the name of the Senator from Iowa (Mr.