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DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS BILL, 2001

SEPTEMBER 13, 2000.—Ordered to be printed

Mr. BOND, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.R. 4635]

The Committee on Appropriations to which was referred the bill (H.R. 4635) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes, reports the same to the Senate with an amendment and recommends that the bill as amended do pass.

Amount of new budget (obligational) authority

Amount of bill as recommended in House	$101,269,836,000
Amount of bill as reported to Senate	107,507,953,000
Amount of appropriations to date, 2000	99,190,610,000
Amount of budget estimates, 2001	109,781,099,000
Under estimates for 2001	2,273,146,000
Above appropriations for 2000	8,317,343,000

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DIVISION A

INTRODUCTION

The Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies appropriations bill for fiscal year 2001 provides a total of $107,507,953,000 in budget authority, including approximately $24,581,866,000 in mandatory spending. The Committee did its best to meet all important priorities within the bill, with the highest priority given to veterans programs and section 8 contract renewals. Other priorities included maintaining environmental programs at or above current year levels, ensuring adequate funds for our Nation's space and scientific research programs, and providing adequate funding for emergency management and disaster relief.

As recommended by the Committee, this bill attempts to provide a fair and balanced approach to the many competing programs and activities under the VA–HUD subcommittee's jurisdiction.

The Committee recommendation provides $22,379,717,000 in discretionary funding for the Department of Veterans Affairs, an increase of $1,521,178,000 above the fiscal year 2000 enacted level and $17,178,000 above the budget request. The Committee has made veterans programs the highest priority in the bill. Increases in VA programs above the budget request are recommended for medical research and the State home program.

For the Department of Housing and Urban Development, the Committee recommendation totals $30,633,726,000, an increase of $4,754,778,000 over the fiscal year 2000 enacted level. The Committee has provided significant funding for all HUD programs while also providing the needed funding for all expiring section 8 contracts. The Committee believes a balanced approach to the funding of housing programs is key to meeting the housing needs of low-income families.

For the Environmental Protection Agency, the Committee recommendation totals $7,534,190,000, a decrease of $28,621,000 below the fiscal year 2000 enacted level and an increase of $257,591,000 above the budget request. Major changes from the President's request include an increase of $550,000,000 for clean water State revolving funds.

The Committee recommendation includes $3,515,977,000 for the Federal Emergency Management Agency, including $2,609,220,000 in emergency contingency funds for disaster relief.

The Committee recommendation for the National Aeronautics and Space Administration totals $13,844,000,000, an increase of $243,181,000 above the fiscal year 2000 level.

For the National Science Foundation, the Committee recommendation totals $4,297,184,000, an increase of $400,000,000 above the fiscal year 2000 enacted level. The Committee views NSF as a key investment in the future and this funding is intended to reaffirm the strong and longstanding leadership of this Committee in support of scientific research and education.

REPROGRAMMING AND INITIATION OF NEW PROGRAMS

The Committee continues to have a particular interest in being informed of reprogrammings which, although they may not change either the total amount available in an account or any of the purposes for which the appropriation is legally available, represent a significant departure from budget plans presented to the Committee in an agency's budget justifications.

Consequently, the Committee directs the Departments of Veterans Affairs and Housing and Urban Development, and the agencies funded through this bill, to notify the chairman of the Committee prior to each reprogramming of funds in excess of $250,000 between programs, activities, or elements unless an alternate amount for the agency or department in question is specified elsewhere in this report. The Committee desires to be notified of reprogramming actions which involve less than the above-mentioned amounts if such actions would have the effect of changing an agency's funding requirements in future years or if programs or projects specifically cited in the Committee's reports are affected. Finally, the Committee wishes to be consulted regarding reorganizations of offices, programs, and activities prior to the planned implementation of such reorganizations.

The Committee also expects the Departments of Veterans Affairs and Housing and Urban Development, as well as the Corporation for National and Community Service, the Environmental Protection Agency, the Federal Emergency Management Agency, the National Aeronautics and Space Administration, the National Science Foundation, and the Consumer Product Safety Commission, to submit operating plans, signed by the respective secretary, administrator, or agency head, for the Committee's approval within 30 days of the bill's enactment. Other agencies within the bill should continue to submit operating plans consistent with prior year policy.

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

Appropriations, 2000	$44,255,165,000
Budget estimate, 2001	46,918,665,000
House allowance	46,909,667,000
Committee recommendation	46,965,583,000

GENERAL DESCRIPTION

The Veterans Administration was established as an independent agency by Executive Order 5398 of July 21, 1930, in accordance with the Act of July 3, 1930 (46 Stat. 1016). This act authorized the President to consolidate and coordinate Federal agencies especially created for or concerned with the administration of laws providing benefits to veterans, including the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers. On March 15, 1989, VA was elevated to Cabinet-level status as the Department of Veterans Affairs.

The VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to the Nation. The VA's operating units include the Veterans Health Administration, Veterans Benefits Administration, National Cemetery Administration, and staff offices.

The Veterans Health Administration develops, maintains, and operates a national health care delivery system for eligible veterans; carries out a program of education and training of health care personnel; carries out a program of medical research and development; and furnishes health services to members of the Armed Forces during periods of war or national emergency. A system of 172 medical centers, 829 outpatient clinics, 134 nursing homes, and 40 domiciliaries is maintained to meet the VA's medical mission.

The Veterans Benefits Administration provides an integrated program of nonmedical veteran benefits. This Administration administers a broad range of benefits to veterans and other eligible beneficiaries through 58 regional offices and the records processing center in St. Louis, MO. The benefits provided include: compensation for service-connected disabilities; pensions for wartime, needy, and totally disabled veterans; vocational rehabilitation assistance; educational and training assistance; home buying assistance; estate protection services for veterans under legal disability; information and assistance through personalized contacts; and six life insurance programs.

The National Cemetery Administration provides for the interment of the remains of eligible deceased servicepersons and discharged veterans in any national cemetery with available grave space; permanently maintains these graves; marks graves of eligible persons in national and private cemeteries; and administers the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries. The National Cemetery Administration includes 153 cemeterial installations and activities.

Other VA offices, including the general counsel, inspector general, Boards of Contract Appeals and Veterans Appeals, and the general administration, support the Secretary, Deputy Secretary, Under Secretary for Health, Under Secretary for Benefits, and the Under Secretary for Memorial Affairs.

COMMITTEE RECOMMENDATION

The Committee recommends $46,965,583,000 for the Department of Veterans Affairs, including $24,586,126,000 in mandatory spending and $22,379,717,000 in discretionary spending. The amount provided for discretionary activities represents an increase of $17,178,000 above the budget request and $1,521,178,000 above the fiscal year 2000 enacted level. The Committee has given VA programs the highest priority in the bill. Increases above the President's request are recommended for medical research and State home construction grants. The appropriation for VA will ensure the highest quality care and services to our Nation's veterans, and honor and dignity to those who are deceased.

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$21,568,364,000
Budget estimate, 2001	22,766,276,000
House allowance	22,766,276,000
Committee recommendation	22,766,276,000

PROGRAM DESCRIPTION

Compensation is payable to living veterans who have suffered impairment of earning power from service-connected disabilities. The amount of compensation is based upon the impact of disabilities on earning capacity. Death compensation or dependency and indemnity compensation is payable to the surviving spouses and dependents of veterans whose deaths occur while on active duty or result from service-connected disabilities. A clothing allowance may also be provided for service-connected veterans who use a prosthetic or orthopedic device.

Pensions are an income security benefit payable to needy wartime veterans who are precluded from gainful employment due to non-service-connected disabilities which render them permanently and totally disabled. Under the Omnibus Budget Reconciliation Act of 1990, veterans 65 years of age or older are no longer considered permanently and totally disabled by law and are thus subject to a medical evaluation. Death pensions are payable to needy surviving spouses and children of deceased wartime veterans. The rate payable for both disability and death pensions is determined on the basis of the annual income of the veteran or his survivors.

This account also funds burial benefits and miscellaneous assistance.

COMMITTEE RECOMMENDATION

The Committee has provided $22,766,276,000 for compensation and pensions. This is an increase of $1,197,912,000 above the fiscal year 2000 enacted level and the same as the budget estimate.

The estimated caseload and cost by program follows:

COMPENSATION AND PENSIONS

	2000	2001	Difference
Caseload:			
Compensation:			
Veterans	2,290,710	2,285,075	−5,635
Survivors	302,575	300,872	−1,703
Children	864	864	
(Clothing allowance)	(75,785)	(75,598)	−187
Pensions:			
Veterans	372,635	363,060	−9,575
Survivors	266,101	252,898	−13,203
Minimum income for widows (non-add)	(594)	(562)	−32
Vocational training (non-add)	(7)	(5)	−2
Burial allowances	95,180	94,050	−1,130
Funds:			
Compensation:			
Veterans	$15,421,550,000	$16,010,051,000	+$588,501,000
Survivors	3,522,325,000	3,600,000,000	+77,675,000
Children	9,499,000	9,734,000	+235,000
Clothing allowance	40,049,000	39,949,000	−100,000
Payment to GOE (Public Laws 101–508 and 102–568)	1,388,000	1,266,000	−122,000
Medical exams pilot program (Public Law 104–275)	26,324,000	28,390,000	+2,066,000
Pensions:			
Veterans	2,342,253,000	2,366,889,000	+24,636,000
Survivors	707,003,000	683,070,000	−23,933,000
Minimum income for widows	3,697,000	3,581,000	−116,000
Vocational training	20,000	15,000	−5,000
Payment to GOE (Public Laws 101–508, 102–568, and 103–446)	9,343,000	8,521,000	−822,000
Payment to Medical Care (Public Laws 101–508 and 102–568)	5,018,000	7,632,000	+2,614,000
Payment to Medical Facilities (non-add)	(2,879,000)	(3,027,000)	+148,000
Burial benefits	126,293,000	129,681,000	+3,388,000
Other assistance	3,406,000	3,413,000	+7,000
Contingency			
Unobligated balance and transfers	−649,804,000	−125,916,000	+523,888,000
Total appropriation	21,568,364,000	22,766,276,000	+1,197,912,000

The appropriation includes $17,419,000 in payments to the "General operating expenses" and "Medical care" accounts for expenses related to implementing provisions of the Omnibus Budget Reconciliation Act of 1990, the Veterans' Benefits Act of 1992, the Veterans' Benefits Improvements Act of 1994, and the Veterans' Benefits Improvements Act of 1996. The amount also includes funds for a projected fiscal year 2001 cost-of-living increase of 2.5 percent for pension recipients.

The bill includes language permitting this appropriation to reimburse such sums as may be earned, estimated at $3,027,000, to the medical facilities revolving fund to help defray the operating expenses of individual medical facilities for nursing home care provided to pensioners, should authorizing legislation be enacted.

The Committee has not included language proposed by the administration that would provide indefinite fiscal year 2001 supplemental appropriations after June 30, 2001 for compensation and pensions. The Committee has also rejected proposed bill language to split this account into three separate appropriation accounts.

The Committee is aware that the current Veterans Burial Plot Interment Allowance is $150 per burial, and has not been increased for decades. While the Veterans Burial Plot Interment Allowance was not intended to cover the full cost of burial expenses, it appears that the current allowance does not reflect the increasing costs of burials for veterans. Therefore, the Committee directs the VA to study the current allowance to determine: (1) if it is adequate to meet burial expenses for veterans; (2) whether an increase in the allowance is warranted; and (3) what increase would be necessary to keep pace with the rising cost of burials, and to report back to the Congress by March 1, 2001.

READJUSTMENT BENEFITS

Appropriations, 2000	$1,469,000,000
Budget estimate, 2001	1,634,000,000
House allowance	1,664,000,000
Committee recommendation	1,634,000,000

PROGRAM DESCRIPTION

The readjustment benefits appropriation finances the education and training of veterans and servicepersons whose initial entry on active duty took place on or after July 1, 1985. These benefits are included in the All-Volunteer Force Educational Assistance Program (Montgomery GI bill) authorized under 38 U.S.C. 30. Eligibility to receive this assistance began in 1987. Basic benefits are funded through appropriations made to the readjustment benefits appropriation and transfers from the Department of Defense. Supplemental benefits are also provided to certain veterans and this funding is available from transfers from the Department of Defense. This account also finances vocational rehabilitation, specially adapted housing grants, automobile grants with the associated approved adaptive equipment for certain disabled veterans, and finances educational assistance allowances for eligible dependents of those veterans who died from service-connected causes or have a total permanent service-connected disability as well as dependents of servicepersons who were captured or missing in action.

COMMITTEE RECOMMENDATION

The Committee has recommended the budget estimate of $1,634,000,000 for readjustment benefits. The amount recommended is an increase of $165,000,000 above the fiscal year 2000 enacted level.

The estimated caseload and cost for this account follows:

READJUSTMENT BENEFITS

	2000	2001	Difference
Number of trainees:			
Education and training: dependents	46,420	48,530	+2,110
All-Volunteer Force educational assistance:			
Veterans and servicepersons	279,100	309,300	+30,200
Reservists	71,300	70,900	−400
Vocational rehabilitation	51,630	50,985	−645
Total	448,450	479,715	+31,265
Funds:			
Education and training: Dependents	$141,806,000	$148,148,000	+$6,342,000
All-Volunteer Force educational assistance:			
Veterans and servicepersons	890,736,000	1,118,903,000	+228,167,000
Reservists	100,860,000	105,875,000	+5,015,000
Vocational rehabilitation	416,718,000	391,887,000	−24,831,000
Housing grants	21,065,000	21,065,000	
Automobiles and other conveyances	7,589,000	7,589,000	
Adaptive equipment	23,700,000	23,600,000	−100,000
Work-study	33,400,000	35,100,000	+1,700,000
Payment to States	13,000,000	13,000,000	
Reporting fees	3,530,000	3,771,000	+241,000
Unobligated balance and other adjustments	−183,404,000	−234,938,000	−51,534,000
Total appropriation	1,469,000,000	1,634,000,000	+165,000,000

The Committee has included bill language as proposed by the administration, which ensures that all administrative services are charged to the general operating expenses appropriation.

VETERANS INSURANCE AND INDEMNITIES

Appropriations, 2000	$28,670,000
Budget estimate, 2001	19,850,000
House allowance	19,850,000
Committee recommendation	19,850,000

PROGRAM DESCRIPTION

The veterans insurance and indemnities appropriation is made up of the former appropriations for military and naval insurance, applicable to World War I veterans; National Service Life Insurance, applicable to certain World War II veterans; Servicemen's indemnities, applicable to Korean conflict veterans; and veterans mortgage life insurance to individuals who have received a grant for specially adapted housing.

COMMITTEE RECOMMENDATION

The Committee has provided $19,850,000 for veterans insurance and indemnities, as requested by the administration. This is a decrease of $8,820,000 below the fiscal year 2000 enacted level. The

Department estimates there will be 4,353,921 policies in force in fiscal year 2001 with a value of nearly $447,000,000,000.

VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2000	$282,342,000	$156,958,000
Budget estimate, 2001	165,740,000	166,484,000
House allowance	165,740,000	161,484,000
Committee recommendation	165,740,000	162,000,000

PROGRAM DESCRIPTION

This appropriation provides for all costs, with the exception of the Native American Veteran Housing Loan Program, of VA's direct and guaranteed loans, as well as the administrative expenses to carry out these programs, which may be transferred to and merged with the general operating expenses appropriation.

VA loan guaranties are made to service members, veterans, reservists and unremarried surviving spouses for the purchase of homes, condominiums, manufactured homes and for refinancing loans. VA guarantees part of the total loan, permitting the purchaser to obtain a mortgage with a competitive interest rate, even without a downpayment if the lender agrees. VA requires that a downpayment be made for a manufactured home. With a VA guaranty, the lender is protected against loss up to the amount of the guaranty if the borrower fails to repay the loan.

COMMITTEE RECOMMENDATION

The Committee recommends such sums as may be necessary for funding subsidy payments, estimated to total $165,740,000, and $162,000,000 for administrative expenses. The administrative expenses may be transferred to the "General operating expenses" account. Bill language limits gross obligations for direct loans for specially adapted housing to $300,000.

The reduction of $4,484,000 below the budget request is to be taken from lower priority electronic initiatives.

EDUCATION LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2000	$1,000	$214,000
Budget estimate, 2001	1,000	220,000
House allowance	1,000	220,000
Committee recommendation	1,000	220,000

PROGRAM DESCRIPTION

This appropriation covers the cost of direct loans for eligible dependents and, in addition, it includes administrative expenses necessary to carry out the direct loan program. The administrative funds may be transferred to and merged with the appropriation for the general operating expenses to cover the common overhead expenses.

COMMITTEE RECOMMENDATION

The bill includes $1,000 for funding subsidy program costs and $220,000 for administrative expenses. The administrative expenses may be transferred to and merged with the "General operating expenses" account. Bill language is included limiting program direct loans to $3,400.

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Program account	Administrative expenses
Appropriations, 2000	$57,000	415,000
Budget estimate, 2001	52,000	432,000
House allowance	52,000	432,000
Committee recommendation	52,000	432,000

PROGRAM DESCRIPTION

This appropriation covers the funding subsidy cost of direct loans for vocational rehabilitation of eligible veterans and, in addition, it includes administrative expenses necessary to carry out the direct loan program. Loans of up to $841 (based on indexed chapter 31 subsistence allowance rate) are available to service-connected disabled veterans enrolled in vocational rehabilitation programs as provided under 38 U.S.C. chapter 31 when the veteran is temporarily in need of additional assistance. Repayment is made in 10 monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retirement pay.

COMMITTEE RECOMMENDATION

The bill includes the requested $52,000 for program costs and $432,000 for administrative expenses for the Vocational Rehabilitation Loans Program account. The administrative expenses may be transferred to and merged with the "General operating expenses" account. Bill language is included limiting program direct loans to $2,726,000. It is estimated that VA will make 4,700 loans in fiscal year 2001, with an average amount of $580.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Administrative expenses
Appropriations, 2000	$520,000
Budget estimate, 2001	532,000
House allowance	532,000
Committee recommendation	532,000

PROGRAM DESCRIPTION

This program will test the feasibility of enabling VA to make direct home loans to native American veterans who live on U.S. trust lands. It is a pilot program that began in 1993 and expires on December 31, 2001. Subsidy amounts necessary to support this program were appropriated in fiscal year 1993.

COMMITTEE RECOMMENDATION

The bill includes the budget estimate of $532,000 for administrative expenses associated with this program in fiscal year 2001. These funds may be transferred to the "General operating expenses" account.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR HOMELESS VETERANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

PROGRAM DESCRIPTION

This program was established by Public Law 105–368, the Veterans Programs Enhancement Act of 1998. The program is a pilot project designed to expand the supply of transitional housing for homeless veterans and to guarantee up to 15 loans with a maximum aggregate value of $100,000,000. Not more than five loans may be guaranteed in the first 3 years of the program. The project must enforce sobriety standards and provide a wide range of supportive services such as counseling for substance abuse and job readiness skills. Residents will be required to pay a reasonable fee.

COMMITTEE RECOMMENDATION

All funds authorized for this program have been appropriated. Therefore, additional appropriations are not required. Administrative expenses of the program, estimated at $750,000 for fiscal year 2001, will be borne by the "Medical care" and "General operating expenses" appropriations.

VETERANS HEALTH ADMINISTRATION

MEDICAL CARE

Appropriations, 2000	$18,926,481,000
Budget estimate, 2001	20,281,587,000
House allowance	20,281,587,000
Committee recommendation	20,281,587,000

PROGRAM DESCRIPTION

The Department of Veterans Affairs [VA] operates the largest Federal medical care delivery system in the country, with 172 medical centers, 40 domiciliaries, 134 nursing homes, and 829 outpatient clinics which includes independent, satellite, community-based, and rural outreach clinics.

This appropriation provides for medical care and treatment of eligible beneficiaries in VA hospitals, nursing homes, domiciliaries, and outpatient clinic facilities; contract hospitals; State home facilities on a grant basis; contract community nursing homes; and through the hometown outpatient program, on a fee basis. Hospital and outpatient care also are provided for certain dependents and survivors of veterans under the Civilian Health and Medical Program of the VA [CHAMPVA]. The medical care appropriation also provides for training of medical residents and interns and other professional paramedical and administrative personnel in health science fields to support the Department's and the Nation's health manpower demands.

COMMITTEE RECOMMENDATION

The Committee recommends $20,281,587,000 for VA medical care, an increase of $1,355,106,000 over the fiscal year 2000 enacted level. In addition, VA has authority to retain co-payments and third-party collections, estimated by the Congressional Budget Office to total $639,000,000 in fiscal year 2001. Therefore, the Committee's recommendation represents total resources for medical care of $20,920,587,000.

The Committee continues to be highly supportive of efforts within the Veterans Health Administration to improve the access, quality and availability of medical services to veterans, and increase the numbers of patients served. The Committee is concerned, however, about the lack of accountability within VA for its budget. While the Congress increased VA medical care by $1,700,000,000 in fiscal year 2000 over the prior year and over the President's request, VA is spending far less in a variety of areas than originally projected. These include hepatitis C, substance abuse, and post-traumatic stress disorder to name a few. Data system deficiencies and the lack of standardization are major contributing factors. As a result, the Committee has been left with insufficient information to analyze whether VA is utilizing its funds appropriately and consistent with congressional intent. The Committee will be considering how to address this concern in the fiscal year 2002 appropriation, including whether a new and more prescriptive account structure is appropriate. In the meantime, the Committee has requested VA to report on a quarterly basis on spending in key program areas, including explanations for variances from original projections. In addition, VA is to report within 60 days of enactment on its efforts to improve comprehensively its data systems' reliability, accuracy, and consistency. The Committee also expects the fiscal year 2002 budget justification to include estimates for all national programs, projects and initiatives totaling $5,000,000 or more.

The Committee has a number of specific concerns with VA's budget and related issues detailed below.

Hepatitis C.—The Committee is concerned that the Department may be giving insufficient attention to hepatitis C, an epidemic deserving special consideration in the veteran population, particularly among Vietnam-era veterans. For fiscal year 2000, VA medical facilities are spending less than original projections. It is unclear whether this is due to fewer patients being suitable for new treatment therapies, or whether hospitals are not aggressively screening for hepatitis C and prescribing medications owing to cost concerns. The Committee expects VA will do more to ensure that its medical facilities consistently make testing for hepatitis C broadly available to veterans, and use all available therapies in the most clinically appropriate and cost-effective manner. In addition, the Committee expects VA to report within 60 days of enactment of this Act on final fiscal year 2000 expenditures including a full accounting for the discrepancy between this amount and original estimates of $250,000,000. VA estimates it will spend $340,000,000 in fiscal year 2001; should VA's expenditures deviate significantly from this estimate the Committee expects a detailed explanation. Finally, the Committee expects VA to establish expeditiously performance goals for the hepatitis C initiative, to be included in the fiscal year 2002 budget request.

Management efficiencies/best practices.—The Committee notes there continue to be many opportunities for VHA to redirect dollars from inefficient practices to medical services for veterans, such as centralizing food production. The Committee is concerned VA may not be doing enough to ensure that "best practices" are institutionalized throughout the VA system. VA is to report concurrent with the submission of the operating plan for fiscal year 2001 on its efforts to implement additional management efficiencies, including instituting on a national basis best practices.

Improving access.—In some areas of the country veterans have waited as long as 6 months to see a primary care doctor; this is unacceptable. In addition, the Committee is concerned about reports from women veterans that women are experiencing longer waiting times than male veterans. VA has given special attention to improving access in its fiscal year 2001 budget proposal and the Committee supports VA's efforts, including reducing waiting times for appointments and providing care to veterans closer to their homes. The Committee is concerned, however, that without accurate and reliable waiting time data, VA does not have an adequate picture of the waiting time problem, it will be unable to determine how best to allocate funds to reduce waiting times, and it will be unable to assess its success without baseline data. The Committee expects VA will implement appropriate reporting systems so VA facility performance can be baselined and progress measured. VA is to report by April 1, 2001, on how it will collect accurate and reliable data on waiting times, and its efforts to reduce waiting times with special attention to areas which have had particularly egregious problems with waiting times.

The Committee is aware that veterans living in rural communities on the Kenai Peninsula in Alaska must travel as much as 8 hours round-trip along an avalanche-prone road to receive VA medical care. The Committee directs VA to report by March 30, 2001, on its progress in establishing a community-based outpatient clinic (CBOC) on the Kenai Peninsula, and expects the CBOC to be operational in fiscal year 2001. In the meantime, VA should enable veterans living in areas further than a 50-mile radius of Anchorage to use contract care from local physicians.

The Committee is pleased VA has recognized the need for community-based outpatient clinics in Beaufort, Sumter, and Orangeburg, SC to improve services to over 100,000 veterans in 12 counties. The Committee encourages VA to operationalize these clinics expeditiously.

The Committee is aware of needs for CBOC's in the North-central Virginia area which includes the counties of Caroline, Stafford, Spotsylvania, Culpeper, King George and the City of Fredricksburg, and encourages VA to meet these needs expeditiously.

The Committee urges VA to partner with Northeast Mississippi Health Care, Incorporated, the existing HHS–funded Community Health Center in Byhalia, MS, for a demonstration project to provide cost-effective outpatient primary and preventative health care services for area veterans in their home community.

Patient Safety.—The Committee supports VA's efforts to improve patient safety, for which VA has budgeted $137,000,000. VA has developed some promising patient safety initiatives, such as a barcoding system for blood and medications. However, far more needs to be done to ensure patient safety. The Committee expects VA to make a priority of patient safety not only within its own facilities, but also with its health-care contractors. The lack of medical error reporting by VA contractors makes it difficult to evaluate the care provided and compare the care to that provided in VA facilities. VA is to report within 90 days of enactment of this Act on its progress in patient safety, including a description of how it will ensure appropriate patient safety measures are implemented by facilities it contracts with for medical care.

Homeless veterans.—It is estimated there are 250,000 homeless veterans nationwide on any given night, and more than one-third of the homeless population are veterans. The Committee believes meeting the needs of homeless veterans should be a high priority within VA, yet the level of attention this problem is given varies widely from one hospital to the next. The Committee directs VA to submit a report within 120 days of enactment of this Act, describing by each medical center its staffing and funding levels for homeless programs, the services provided, and plans to ensure the needs of homeless veterans in their catchment area are met.

Collections.—The Committee continues to be concerned that VA's collections efforts fall short of the mark. In November 1999, VA reported that "the Office of Revenue has determined that it is appropriate and timely to consider contracting-out some or all of its "third-party/first-party" revenue-generating processes to improve collections and make the process as efficient as possible." An outsourcing business plan was developed which involves centralizing certain processes at the VISN level and pilot-testing contract and franchising options for central revenue units. The Committee believes these steps are long overdue and urges the Department to move forward expeditiously to implement the outsourcing business plan. VA is to provide a report within 90 days of enactment of this Act on its progress.

Nurse Pay.—VA has included $63,500,000 in its budget for nurse pay increases, and the Committee expects VA to allocate such funds to ensure all nurses receive pay raises in fiscal year 2001 in the absence of legislative changes to the Nurse Pay Act. The Committee believes it is unacceptable that in certain locations, there have been no pay increases for nurses for several consecutive years. VA is currently assessing the issues and difficulties involved in administering locality pay; the Committee looks forward to receiving VA's report to Congress in early 2001 on its findings and recommendations.

Physician Assistants.—The Committee recognizes the contributions of Physician Assistants to the veterans health care system and is aware that no formal representation for Physician Assistants exists within VHA. VHA is urged to establish the position of Advisor on Physician Assistants, to be occupied by a certified practicing Physician Assistant.

VERA.—The Committee supports the core principles underlying the Veterans Equitable Resource Allocation (VERA) system—that VA health care funds should be allocated fairly according to the number of veterans having the highest priority for health care, and aligning resources according to the best practices in health care. At the same time, however, the Committee believes that when any VISN experiences an operating shortfall that would threaten its ability to serve eligible veterans, and VHA has determined that the VISN has implemented all appropriate economies and efficiencies, VHA should consider strongly supplemental allocations to that VISN. To that end, the Committee urges VA to ensure that it reserves sufficient funds to meet the operating need of those VISNs that may require supplemental funding during the year.

VERA Study.—Questions have been raised as to whether VERA may lead to a distribution of funds that does not adequately cover the special needs of some veterans. To investigate the progress of this funding allocation method, the Committee directs the Department to enter into a contract with a federally-funded research and development center to carry out a study of the VERA formula no later than 60 days after enactment of this bill. This study should include the following: (1) an assessment of the impact of the allocation of funds under the VERA formula, particularly in Veterans Integrated Service Networks (VISNs) and subregions receiving reduced funding under the formula, on the maintenance of older-than-average medical facilities and medical infrastructure, including facilities designated as historic landmarks; VISNs with populations of enrolled veterans who are older and more disabled than the average population of enrolled veterans; VISNs undergoing major consolidation with significant attendant costs; backlogs and waiting periods for appointments for veterans health care in rural and urban subregions; (2) an assessment of issues associated with the maintenance of direct affiliations between Department of Veterans Affairs medical center and university teaching and research hospitals, including the costs and other requirements associated with maintaining such affiliations; whether the VERA formula takes such affiliations into account in allocating funds; and the role of state-of-the-art equipment in maintaining such affiliations including the necessity of such equipment for such affiliations and the need for training associated with such equipment; (3) an assessment of whether the VERA formula accounts for differences in weather conditions when calculating costs of construction and maintenance of health care facilities and whether VISNs which experience harsh weather require more resources for the delivery of health care than regions which experience less harsh weather. VA should consider and incorporate any existing studies which have been conducted to date on these issues. The VA shall report to the Committee on the results of this study no later than May 1, 2001.

Mentally ill veterans.—The Committee expects VA to maintain adequate capacity for mentally ill veterans, including substance abuse treatment services. In addition, the Committee directs VA to produce a report within 180 days of enactment of this Act regarding the number of medical errors and adverse events involving people with a mental illness for each VA facility and CBOC. The report should include the number of veterans who commit suicide within 30 days of being under any type of VHA care, and a comparison with private sector statistics.

Alcohol and mental health care in Alaska.—The Committee has learned there is only one staff member in the Anchorage Veterans Center to handle all alcohol and mental health cases in the entire State of Alaska. The Committee considers this inadequate to handle the caseload in a State which has the highest incidence of alcoholism in the entire country and is one-fifth the size of the Continental United States. Therefore, the Committee expects VA will provide additional staff to the Anchorage center for alcohol and mental health treatment. In addition, the Committee encourages VA to establish an alcohol detoxification and treatment facility in Anchorage so that Alaska veterans are not forced to travel to Washington State for such services.

Contractor overpayments.—In last year's bill, the Committee provided VA the authority to use a contractor to collect overpayments made to non-VA medical facilities for care provided to veterans. Under this new authority VA could keep the money collected, less a percentage paid to the contractor, and use it in the VISN in which it was collected to enhance health care programs. The Committee understands VA is nearly ready to release a nationwide solicitation for these services. During this past year a program has been implemented in several sites to test the idea and it appears this program could be very successful in recapturing overpayments. However, there are a few challenges that need to be overcome in order for VA to maximize recoveries. The contractor does not have access to complete medical records or claims payment history. This lack of data impacts the ability to optimize collections. Therefore, the Committee directs VA to provide that access in a timely way as a part of any local or nationwide recovery audit program. Giving the contractor direct access to information in the Austin Automation Center will facilitate this process for claims payment.

Fee-Basis Cost Containment Pilot.—In last year's report, the Committee directed VA to conduct a pilot program of managed care services, using credentialed providers, in up to four VISNs, for patients receiving care outside of VA medical facilities (fee-basis care). The Committee urges the VA to implement immediately this program in four VISNs. Considering the significant need to conserve scarce resources, ensure patient quality care and recapture workload appropriately, the Committee is interested in comparing the results of this pilot to the way VA currently runs the various Fee and Contract Care programs. The Committee requests that the VA provide the Committee their plans for moving ahead with this program before the end of the calendar year for Committee review and comment.

Drug costs.—The Committee notes recent GAO testimony identified additional opportunities for VA to reduce pharmaceutical costs through joint national contracts with the Department of Defense. The Committee directs VA to report, within 60 days of enactment of this Act, on its efforts and long-term strategy to reduce further its pharmaceutical costs and increase wherever possible joint national contracts with DOD.

Tripler Joint Venture Demonstration.—The recent colocation of VA and DOD healthcare facilities at Tripler Army Medical Center offers significant opportunities to provide high quality care to Federal beneficiaries residing in Hawaii and vast Pacific region through the creation of a truly integrated and seamless healthcare delivery system. To accomplish this, the Committee urges VA and DOD to establish formally a joint venture demonstration project at Tripler. Moreover, adequate resources should be provided by VA to VAMROC Honolulu to support reinvention projects and to allow continued and expanded VA participation of the recently established Hawaii Federal Healthcare Partnership. The Committee requests a plan and progress report for the joint venture demonstration project by March 1, 2002.

Web-enabled technology.—The Committee is aware of the potential for web-enabled technology to improve coordination and delivery of medical care, while also reducing transaction costs associated with traditional care delivery mechanisms, and encourages VA to conduct evaluations of e-health tools.

Veterans Health Care Buying Cooperative Pilot.—The Committee encourages VA to establish a pilot health care demonstration program in New Hampshire involving the development of a VHA–sponsored preferred provider network in rural and semi-rural areas. The pilot would seek to improve access to care for veterans, achieve cost savings, and stimulate the sharing of health care resources between VHA and non-VHA providers in rural settings.

Joslin Vision Network.—The Committee supports the expansion of the Joslin Vision Network to additional pilot sites in fiscal year 2001. This program will benefit diabetic patients by offering improved quality of care through increased access to the highest quality medical expertise and education, and will reduce costs. Estimated costs for fiscal year 2001 are $5,000,000.

Advanced digital retinal imaging.—The Committee notes that the use of advanced digital retinal imaging by primary care physicians in the evaluation of persons with diabetes to improve early detection of diabetic retinopathy appears promising. This technology is currently being demonstrated at the Oklahoma City VAMC. After evaluating the efficacy, safety, value and compatibility of this technology with existing systems in use, VA is encouraged to consider expanding the demonstration of this technology to additional VA medical centers.

Health Promotion Centers.—The Committee supports VA's efforts to collaborate with the Centers for Disease Control and Prevention in the area of population-based health promotion and disease prevention.

Clarksburg/Ruby Memorial demonstration.—The Committee supports continuation at current levels ($2,000,000) of the Clarksburg VAMC/Ruby Memorial hospital demonstration project.

Pacific Telemedicine Project.—The Committee continues to support the development and feasibility analysis of a VA Pacific Telemedicine Project at the Hawaii VAMROC, which will enhance and improve the availability and access to health care for veterans in Hawaii. The Committee directs VA to report within 90 days of enactment of this Act on its plans to proceed with this project.

Post-doctoral training program.—The Committee continues to support the VHA's efforts to strengthen their psychology post-doctoral training program. The Committee awaits the progress report that will include the number of training slots for psychologists and their location. The Committee also has an interest in the progress being made in interdisciplinary training programs.

Distance learning project for nurses.—The Committee is pleased with the success of the VA/DOD distance learning program. The Committee strongly recommends that the VA and DOD continue the distance learning project designed to transition clinical nurse specialists into roles as adult nurse practitioners.

Multiple Sclerosis Centers of Excellence.—Approximately 22,000 veterans nationwide have multiple sclerosis. While multiple sclerosis care in VHA is not well-coordinated, there is a strong community of clinicians with specialized knowledge and expertise in the treatment of MS. To coordinate the application of this rich resource, the Committee urges VA to establish two Centers of Excellence in research, education and clinical treatment of multiple sclerosis.

Motorized wheelchair demonstration.—The Committee urges VA to conduct a demonstration project to assess the impact on vocational rehabilitation and the ability of veterans with physical disabilities to return to work, of a newly developed technology that enables persons with mobility impairments to traverse virtually all terrain and climb stairs and curbs without assistance. The Research and Development Office's Rehabilitation Research and Cooperative Studies Services should be involved in such an effort.

Rural Veterans Health Care Initiative.—The Committee expects continuation at the current level of the Rural Veterans Health Care Initiative at White River Junction, VT VAMC.

Other Issues.—The Committee urges VA to support a clinical guidelines demonstration project, which could improve the quality of patient care.

The Committee notes that the National Center for Post-Traumatic Stress Disorder (PTSD) is an internationally recognized leader in PTSD research. Given the similarities between PTSD and various types of trauma suffered by women and children, the Committee encourages the National Center to expand its research into the effects of PTSD on women and children, particularly the families of veterans and the victims of violence.

The Committee urges the VA to study the feasibility of utilizing remote telemedicine-video/audio technologies in conjunction with data capture, data analysis and embedded algorithm-driven decision support for VA patients in intensive care units.

The Committee has included bill language transferring not to exceed $27,907,000 to the general operating expenses account for expenses of the Office of Resolution Management and Office of Employment Discrimination Complaint Adjudication. The Committee directs that funds for this activity be included in the general operating expenses budget request for fiscal year 2001.

The Committee has included bill language delaying the availability until August 1, 2001, of $900,000,000 in the equipment, lands, and structures object classifications.

The Committee has included bill language to make available through September 30, 2002, up to $500,000,000 of the medical care appropriation. This provides flexibility to the Department as it continues to implement significant program changes. The Committee notes VA expects to carry over $79,000,000 from fiscal year 2000 2-year funds.

MEDICAL AND PROSTHETIC RESEARCH

Appropriations, 2000	$321,000,000
Budget estimate, 2001	321,000,000
House allowance	351,000,000
Committee recommendation	331,000,000

PROGRAM DESCRIPTION

The "Medical and prosthetic research" account provides funds for medical, rehabilitative, and health services research. Medical research supports basic and clinical studies that advance knowledge leading to improvements in the prevention, diagnosis, and treatment of diseases and disabilities. Rehabilitation research focuses on rehabilitation engineering problems in the fields of prosthetics, orthotics, adaptive equipment for vehicles, sensory aids and related areas. Health services research focuses on improving the effectiveness and economy of delivery of health services.

COMMITTEE RECOMMENDATION

The Committee recommends $331,000,000 for medical and prosthetic research, an increase of $10,000,000 above the budget request and the fiscal year 2000 enacted level. The Committee remains highly supportive of this program, and recognizes its importance both in improving health care services to veterans and recruiting and retaining high-quality medical professionals in the Veterans Health Administration.

Amid reports that some VA medical centers continue to discourage investigators from pursuing research and career development grants, the Committee urges VA to extend at least through fiscal year 2001 the expiration date of new policy designed to ensure that VERA research funds are used to maximize medical center support for the research program. The Committee believes more time is needed to evaluate whether this policy will provide physician-investigators with designated time sufficient to conduct research and appropriate infrastructure support.

The Committee directs VHA to explore the feasibility of establishing a Nursing Research Program that would enable nurses to conduct research that focuses on the specific health care needs of aging veterans. Such a program would enhance nursing practice and target specific health promotion, disease prevention, and disease management efforts to this community.

The Committee urges VA to provide adequate funding for Hepatitis C research, in such critical areas as the role of combat exposure in transmission of Hepatitis C.

Recent research has documented the link between neurofibromatosis (NF) and cancer, brain tumors, and heart disease. In view this link, which suggests that research on NF could benefit a vast segment of the veteran population, the Committee encourages VA to increase its NF research portfolio, in addition to continuing to collaborate with other Federal agencies. In addition, the Committee requests that VA be prepared to describe its efforts toward this end at its fiscal year 2002 appropriations hearing.

The Committee encourages VHA to expand its research portfolio on lymphoid malignancies. Recent studies prove that veterans exposed to Agent Orange during the Vietnam War have an increased risk of contracting lymphoid malignancies. The Institute of Medicine's review committee on Agent Orange has also found an association between Agent Orange and the development of lymphoid malignancies.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

Appropriations, 2000	$59,703,000
Budget estimate, 2001	64,884,000
House allowance	62,000,000
Committee recommendation	62,000,000

PROGRAM DESCRIPTION

This appropriation provides funds for central office executive direction (Under Secretary for Health and staff), administration and supervision of all VA medical and construction programs, including development and implementation of policies, plans, and program objectives.

COMMITTEE RECOMMENDATION

The Committee recommends $62,000,000 for medical administration and miscellaneous operating expenses, an increase of $2,297,000 above the fiscal year 2000 enacted level. The decrease of $2,884,000 is a general reduction, to be taken subject to normally reprogramming guidelines. The amount recommended should be sufficient to maintain on-board staff.

Last year a reimbursement process between VHA, NCA, and VBA for project technical and consulting services to be provided by the Facilities Management Service Delivery Office was established. The estimated level of reimbursement to the MAMOE account in fiscal year 2001 for facilities management support is $7,200,000.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

Appropriations, 2000	$912,594,000
Budget estimate, 2001	1,061,854,000
House allowance	1,006,000,000
Committee recommendation	1,050,000,000

PROGRAM DESCRIPTION

This appropriation provides for the administration of nonmedical veterans benefits through the Veterans Benefits Administration [VBA], the executive direction of the Department, several top level supporting offices, of the Board of Contract Appeals, and the Board of Veterans' Appeals.

COMMITTEE RECOMMENDATION

The Committee recommends $1,050,000,000 for general operating expenses, an increase of $137,406,000 above the fiscal year 2000 enacted level. The amount provided includes $826,488,000 for the Veterans Benefits Administration and $223,512,000 for general administration. In addition to this appropriation, resources are made available for general operating expenses through reimbursements totaling $296,717,000 for fiscal year 2001, with total estimated obligations of approximately $1,346,717,000.

Bill language is recommended, as proposed by the administration, reflecting a one-time adjustment of $30,000,000 from the "Readjustment benefits" account to GOE. This will allow all administrative vocational rehabilitation services, including contractual services, to be funded out of GOE.

Bill language is included making available $45,000,000 of the GOE appropriation for 2 years.

The reduction of $3,000,000 below the budget request within general administration is to be taken from offices slated for significant personnel increases under the budget request. Within VBA, the decrease of $8,854,000 below the President's request is to be taken from lower priority initiatives other than staffing. VBA's budget proposal includes a total of $60,288,000 in non-payroll initiatives, compared to fiscal year 2000 VBA nonpayroll initiatives budget of $34,030,000.

The Committee remains very troubled by the lack of progress within the Veterans Benefits Administration in improving the timeliness and quality of processing for disability compensation claims. In fiscal year 1999, the time it took to process an original disability claim worsened from the year before, growing from 168 days in 1998 to 205 days in 1999 with only marginal improvements in the quality of decision-making. The number of rating cases pending over 180 days increased from about 27 percent of the total "backlog" in July 1999 to 32 percent in March 2000.

Recently the General Accounting Office found that "VBA has not systematically evaluated regional office practices to identify best practices that hold the most promise for improving the claims-processing performance of regional offices across the nation. VBA took steps in 1997 to identify potentially promising practices; however it has neither followed up on this effort nor developed a system for evaluating promising practices and disseminating the results to regional offices." The Committee expects VBA to follow expeditiously GAO's recommendation outlined in its report (GAO/HEHS–00–65) to establish timeframes for developing and implementing a formal plan for evaluating and disseminating information on practices that hold promise for improving the abysmal performance of VBA regional offices.

Numerous recommendations made in prior years for improving the claims processing system by organizations such as the National Academy of Public Administration have not been fully implemented. Regional offices, while having been grouped into service delivery networks, continue to operate generally as 58 fairly autonomous regional offices, not closely aligned to headquarters. The Committee believes one step in improving performance and accountability would be to ensure that headquarters exercises line authority over the field.

The Committee directs VBA to report on (1) its efforts to evaluate and disseminate best management practices; (2) how it is establishing better accountability between headquarters and the field including giving headquarters line authority over the field; (3) an evaluation of the progress being made on each electronic initiative; and (4) the progress each regional office is making in improving the timeliness and quality in disability claims processing. The report is due concurrent with VA's submission of the fiscal year 2001 operating plan.

The Committee encourages VBA to explore new technologies, especially medical couplers, which could improve the efficiency and accuracy of the process.

The Committee is aware of the hardship encountered by Alaska veterans who need the services of a Decision Review Officer, and must travel 5,000 or more miles round trip to Seattle to obtain these services. The Committee believes VA should establish a Decision Review Officer in Anchorage.

The Committee is aware of reports of discrimination within the Office of the Assistant Secretary for Information and Technology and the Washington Regional Office of the Department of Veterans Affairs (VA). The Committee is extremely troubled by the serious nature of these allegations. The Committee is aware that VA's Office of Resolution Management is currently investigating the allegations raised. The Committee is further aware that a Task Force has been established to investigate discrimination complaints within the VA departments in question. The Committee strongly supports these steps, and directs the Department to provide all necessary resources to resolve the outstanding allegations. The Committee directs the Secretary to report back to the Committee with its findings and recommendations no later than December 15, 2000.

The Committee notes that between September 15, 1981 and September 23, 1996 certain veterans who received separation pay and later repaid it so they could receive veterans disability compensation may have been unfairly penalized because of their inability to recover the Federal income taxes on the separation pay that was returned to the Federal Government. In view of this, the Committee directs the Secretary of Veterans Affairs and the Secretary of Defense to report to Congress by September 30, 2001 on remedies which may correct this penalty, and which might include the return of tax paid on separation pay that was returned to the Government. The report shall include the following: (1) the number of veterans who received separation pay during the period September 15, 1981, and ending September 23, 1996, paid taxes on the pay, but were never able to recover the Federal taxes paid on the separation pay after the pay was returned; (2) the aggregate amount of income tax paid by veterans during this period on the separation pay; (3) the aggregate amount of separation recouped by the Federal Government during this period; (4) a description and assessment of various remedies available for compensating the veterans during this period, including joint remedies of the Secretaries as to the most appropriate remedy; and (5) if the recommendation of the Secretaries is the repayment to such veterans of the income taxes paid by veterans on separation pay, an estimate of the aggregate amount that would be repayable as a result of implementation of the recommendation.

The Committee recommends the current level of $25,000 for official reception and representation expenses.

NATIONAL CEMETERY ADMINISTRATION

Appropriations, 2000	$97,256,000
Budget estimate, 2001	109,889,000
House allowance	106,889,000
Committee recommendation	109,889,000

PROGRAM DESCRIPTION

The National Cemetery Administration was established in accordance with the National Cemeteries Act of 1973. It has a fourfold mission: to provide for the interment in any national cemetery the remains of eligible deceased servicepersons and discharged veterans, together with their spouses and certain dependents, and permanently to maintain their graves; to mark graves of eligible persons in national and private cemeteries; to administer the grant program for aid to States in establishing, expanding, or improving State veterans' cemeteries; and to administer the Presidential Memorial Certificate Program.

There are a total of 153 cemeterial installations in 39 States, the District of Columbia, and Puerto Rico. The Committee's recommendation for the National Cemetery Administration provides funds for all of these cemeterial installations, including the Tahoma National Cemetery.

COMMITTEE RECOMMENDATION

The Committee recommends $109,889,000 for the National Cemetery Administration. This is an increase of $12,633,000 over the fiscal year 2000 enacted level and the same as the budget request.

The increase above the fiscal year 2000 enacted level will fund 47 additional FTE, for a total of 1,453. This will allow for growth in cemeterial interment workloads, an increased level of contracting to address deferred maintenance needs, and additional supplies and equipment to maintain increased gravesites.

The Committee has included bill language transferring not to exceed $117,000 to the "General operating expenses" account for expenses of the Office of Resolution Management and Office of Employment Discrimination Complaint Adjudication. The Committee directs that funds for this activity be included in the general operating expenses budget request for fiscal year 2001.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2000	$43,200,000
Budget estimate, 2001	46,464,000
House allowance	46,464,000
Committee recommendation	46,464,000

PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978 and is responsible for the audit and investigation and inspections of all Department of Veterans Affairs programs and operations.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $46,464,000 for the inspector general. This is an increase of $3,264,000 above the fiscal year 2000 enacted level.

The Committee has included bill language transferring not to exceed $30,000 to the "General operating expenses" account for expenses of the Office of Resolution Management and Office of Employment Discrimination Complaint Adjudication. The Committee directs that funds for this activity be included in the general operating expenses budget request for fiscal year 2001.

CONSTRUCTION, MAJOR PROJECTS

Appropriations, 2000	$65,140,000
Budget estimate, 2001	62,140,000
House allowance	62,140,000
Committee recommendation	48,540,000

PROGRAM DESCRIPTION

The construction, major projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of VA, including planning, architectural and engineering services, and site acquisition where the estimated cost of a project is $4,000,000 or more.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $48,540,000 for construction, major projects, a decrease of $13,600,000 below the budget request and the House allowance.

The following table compares the Committee recommendation with the budget request.

CONSTRUCTION, MAJOR PROJECTS

[In thousands of dollars]

Location and description	Available through 2000	2001 Request	House allowance	Committee recommendation
Medical Program:				
Seismic corrections: Palo Alto, CA		26,600	26,600	
Beckley, WV nursing home care unit				1,000
Advance planning fund: Various stations		14,500	14,500	14,500

CONSTRUCTION, MAJOR PROJECTS—Continued

[In thousands of dollars]

Location and description	Available through 2000	2001 Request	House allowance	Committee recommendation
Asbestos abatement: Various stations		2,025	2,025	2,025
Less: Design fund		−1,330	−1,330	
Less: Working reserve				−1,735
Subtotal		41,795	41,795	15,790
Veterans Benefits Administration: Advance planning fund		250	250	250
National Cemetery Administration:				
Fort Logan National Cemetery gravesite development		16,100	16,100	16,100
Oklahoma National Cemetery	1,400			12,000
Pittsburgh National Cemetery	125			1,000
Advance planning fund: Various stations		2,500	2,500	2,500
Design fund		1,600	1,600	1,600
Less: Design fund		−805	−805	−1,400
Subtotal		19,395	19,395	31,800
Claims Analyses: Various stations		700	700	700
Total construction, major projects		62,140	62,140	48,540

The Committee has included $12,000,000 for the construction of the Oklahoma national cemetery, and $1,000,000 for additional planning and design activities for a new national cemetery in Pittsburgh, PA. Initial funding for the Pittsburgh project was provided in fiscal year 2000.

The recommendation includes $10,000,000 in advance planning funds for VA implementation of the Capital Asset Realignment for Enhanced Services (CARES) initiative. GAO has estimated that VA spends $1,000,000 a day to maintain excess capacity. Therefore, it is critical that VA begin the process of assessing its infrastructure needs in each of its "markets" and take steps necessary to sell, transfer or exchange underutilized properties. This will enable VA to maximize VA medical care funds for health care services for veterans, rather than maintaining unused buildings. The Committee is concerned VA did not act expeditiously in developing the CARES protocol and awarding the funding provided in fiscal year 2000 for CARES. The Committee expects VA to give this program top priority, assess the contractor-developed options for each market based on absolute and discriminating criteria as recommended by GAO, and award the funds recommended herein expeditiously for additional market studies.

The Committee has not recommended funds for the Palo Alto nursing home care unit, or other major construction medical project funding, as the Committee supports all such projects proceeding only upon CARES validation.

The Committee recommends $1,000,000 for the design of a nursing home care unit at the Beckley, WV VAMC. The Committee expects that the project will be reviewed as part of the CARES process for VISN 6. Construction funds will be recommended upon VA's confirmation that the project is consistent with the VISN strategic plan which emerges from the CARES process.

The Committee supports VA's efforts to explore new uses for the Miles City, MT VA facility, which has extensive excess capacity, and expects VA to keep it apprised of its activities in this area.

The Committee notes that funding of $2,000,000 is included for the master planning and design development activities for the development of national cemeteries in Atlanta, GA; Detroit, MI; Miami, FL; and Sacramento, CA.

CONSTRUCTION, MINOR PROJECTS

Appropriations, 2000	$160,000,000
Budget estimate, 2001	162,000,000
House allowance	100,000,000
Committee recommendation	162,000,000

PROGRAM DESCRIPTION

The construction, minor projects appropriation provides for constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of VA, including planning, architectural and engineering services, and site acquisition, where the estimated cost of a project is less than $4,000,000.

COMMITTEE RECOMMENDATION

The Committee recommends $162,000,000 for minor construction, the same as the budget request and $2,000,000 above the fiscal year 2000 enacted level.

The Committee expects that VA will review and approve all minor construction projects in a manner that is consistent with the process applied by the Capital Investment Board which reviews major projects, and consistent with the Capital Asset Realignment for Enhanced Services (CARES) initiative. A central office work group, consisting of both VHA and other department officials, is to review all minor projects using criteria consistent with those developed for CARES. If total costs of projects being initiated at any facility exceeds $4,000,000, the recommendations of the work group must be approved by the Deputy Secretary.

In that vein, the Committee has no objection to VHA proceeding with the design of a series of projects at the West Roxbury and Boston, MA VA facilities which will facilitate the integration of services at the VA Boston Healthcare System. However, until a CARES contractor reviews the projects to evaluate whether they are consistent with the future mission of the VISN envisioned by the CARES evaluation, no construction funds are to be awarded.

The Committee directs the Department to expend expeditiously remaining funds previously appropriated in Public Law 103–211 to repair the earthquake-damaged gymnasium on the VAMC campus in Sepulveda, California.

PARKING REVOLVING FUND

PROGRAM DESCRIPTION

The revolving fund provides funds for the construction, alteration, and acquisition (by purchase or lease) of parking garages at VA medical facilities authorized by 38 U.S.C. 8109.

The Secretary is required under certain circumstances to establish and collect fees for the use of such garages and parking facilities. Receipts from the parking fees are to be deposited in the revolving fund and would be used to fund future parking garage initiatives.

COMMITTEE RECOMMENDATION

No new budget authority is requested by the administration or provided for fiscal year 2001.

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

Appropriations, 2000	$90,000,000
Budget estimate, 2001	60,000,000
House allowance	90,000,000
Committee recommendation	100,000,000

PROGRAM DESCRIPTION

This account is used to provide grants to assist States in acquiring or constructing State home facilities for furnishing domiciliary or nursing home care to veterans, and to expand, remodel or alter existing buildings for furnishing domiciliary, nursing home, or hospital care to veterans in State homes. The grant may not exceed 65 percent of the total cost of the project, and grants to any one State may not exceed one-third of the amount appropriated in any fiscal year.

COMMITTEE RECOMMENDATION

The Committee recommends $100,000,000 for grants for the construction of State extended care facilities, an increase of $10,000,000 above the fiscal year 2000 enacted level, and an increase of $40,000,000 above the budget request. This program cost-effectively meets long-term health care needs of veterans. The Committee notes the need for State home beds is expected to double by the year 2010, and there is a backlog of $150,000,000 in priority one projects.

The Committee is aware that Alaska has one of the nation's largest veteran populations per capita but is one of only three States without a State veterans home. VA should work with the Alaska State Department of Military and Veterans Affairs to assess the most cost-effective means of providing a State veterans home, including leasing existing facilities; contracting with existing nursing home providers; repair, upgrade or rehabilitation of existing facilities; and new construction. VA, together with the State of Alaska should report back to the Committee on its joint recommendation including possible costs no later than March 1, 2001.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS' CEMETERIES

Appropriations, 2000	$25,000,000
Budget estimate, 2001	25,000,000
House allowance	25,000,000
Committee recommendation	25,000,000

PROGRAM DESCRIPTION

Public Law 105–368, amended title 38 U.S.C. 2408, which established authority to provide aid to States for establishment, expansion, and improvement of State veterans' cemeteries which are operated and permanently maintained by the States. This amendment increased the maximum Federal Share from 50 percent to 100 percent in order to fund construction costs and the initial equipment expenses when the cemetery is established. The States remain responsible for providing the land and for paying all costs related to the operation and maintenance of the State cemeteries, including the costs for subsequent equipment purchases.

COMMITTEE RECOMMENDATION

The Committee recommends $25,000,000 for grants for construction of State veterans' cemeteries in fiscal year 2001, the same as the fiscal year 2000 enacted level and the budget request. This amount is estimated to be sufficient to meet all fiscal year 2001 State cemetery grant applications.

ADMINISTRATIVE PROVISIONS

The Committee has included eight administrative provisions carried in earlier bills. Included is a provision enabling VA to use surplus earnings from the national service life insurance, U.S. Government life insurance, and veterans special life insurance programs to administer these programs. This provision was included for the first time in fiscal year 1996 appropriations legislation. The Department estimates that $36,520,000 will be reimbursed to the "General operating expenses" account as a result of this provision.

The Committee has not included bill language requested by the administration authorizing the reimbursement of the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for services provided, from funds in any appropriation for salaries and other administrative expenses. Instead, transfer authority totaling up to $28,054,000 from the medical care, national cemetery administration, and OIG appropriations has been provided. In the future, resources for this activity are to be included in the GOE budget request. In addition, $2,022,000 is assumed in "General operating expenses" for these activities.

A new administrative provision is included which requires receipts collected under the Millennium Act to be maintained in the collections funds subject to appropriations.

The Committee has included a provision authorizing the transfer of up to $1,200,000 from the "Medical care" account to general operating expenses to fund contracts and services in support of VBA's Benefits Delivery Center, Systems Development Center, and Finance Center located on the Hines VAMC campus. Future budget requests for these activities should be included in general operating expenses.

In view of a recent General Counsel opinion which found that the Parking Revolving Fund is the exclusive funding source for surface parking lot projects, a provision has been included authorizing the transfer of funds from the "Construction, minor projects" and "Medical care" accounts. In its budget request, the Department included funds in these accounts totaling $6,500,000 for surface parking lot projects.

TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Appropriations, 2000	$25,860,183,000
Budget estimate, 2001	32,458,550,000
House allowance	29,980,030,000
Committee recommendation	30,633,726,000

GENERAL DESCRIPTION

The Department of Housing and Urban Development [HUD] was established by the Housing and Urban Development Act (Public Law 89–174), effective November 9, 1965. This Department is the principal Federal agency responsible for programs concerned with the Nation's housing needs, fair housing opportunities, and improving and developing the Nation's communities.

In carrying out the mission of serving the needs and interests of the Nation's communities and of the people who live and work in them, HUD administers mortgage and loan insurance programs that help families become homeowners and facilitate the construction of rental housing; rental and homeownership subsidy programs for low-income families who otherwise could not afford decent housing; programs to combat discrimination in housing and affirmatively further fair housing opportunity; programs aimed at ensuring an adequate supply of mortgage credit; and programs that aid neighborhood rehabilitation, community development, and the preservation of our urban centers from blight and decay.

HUD administers programs to protect the homebuyer in the marketplace and fosters programs and research that stimulate and guide the housing industry to provide not only housing, but better communities and living environments.

COMMITTEE RECOMMENDATION

The Committee recommends for fiscal year 2001 an appropriation of $30,633,726,000 for the Department of Housing and Urban Development. This is an increase of $4,754,778,000 above the fiscal year 2000 enacted level.

HOUSING CERTIFICATE FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	[1] $11,304,420,000
Budget estimate, 2001	[2] 14,127,824,000
House allowance	[2] 13,275,388,000
Committee recommendation	[2] 13,171,400,000

[1] Includes an advance appropriation of $4,200,000,000 for fiscal year 2001.
[2] Includes an advance appropriation of $4,200,000,000 for fiscal year 2002.

PROGRAM DESCRIPTION

This account provides funding for the section 8 programs, including vouchers, certificates, and project-based assistance. Section 8 assistance is the principal appropriation for Federal housing assistance, with almost 3 million families assisted under section 8. Under these programs, eligible low-income families pay 30 percent of their adjusted income for rent, and the Federal Government is responsible for the remainder of the rent, up to the fair market rent or some other payment standard.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $13,171,400,000, of which $13,131,400,000 shall be used to fund expiring section 8 contracts including the costs of sticky or enhanced vouchers for families that choose to continue to live in multifamily housing in which a mortgage is refinanced and the housing was previously eligible for the Preservation Program, as well as in certain circumstances where owners of assisted multifamily housing opt-out of the section 8 program. In addition, this account includes the Administration's recommendation for an advance appropriation of $4,200,000,000 for the remainder costs of contracts renewed in fiscal year 2001 for the months requiring section 8 assistance during fiscal year 2002. An additional $1,300,000,000 in recaptures, carryover from fiscal year 2000 also is expected to be available for section 8 contract renewals.

Other activities eligible for funding under this account include the conversion of section 23 projects to assistance under section 8, the family unification program, and the relocation of witnesses in connection with efforts to fight crime in public and assisted housing pursuant to a law enforcement or prosecution agency.

In addition, the Committee believes that section 8 tenant-based assistance provides a needed opportunity for disabled families to have a more diverse housing choice with an opportunity to mainstream into a community of their choice. In cases where elderly public housing and assisted housing projects are designated as elderly-only, it is expected that up to $40,000,000, be used to provide needed section 8 tenant-based housing assistance for disabled families that would otherwise be served by public and assisted housing.

The Committee also reiterates its continuing concern over HUD's accounting practices for identifying excess section 8 contract reserves as well as excess project-based section 8 assistance. The Department has made strides in overhauling its section 8 accounting systems. Nevertheless, there remains significant concerns over the accuracy of its section 8 accounting. The Committee reminds HUD that an accurate fiscal forecast of the funding in all HUD programs is critical to HUD's credibility and is a requirement for a sound relationship with this Committee.

The Committee also directs HUD to identify in its fiscal year 2002 budget justification the renewal costs associated with each project-based section 8 program, such as the section 8 moderate rehabilitation program and the section 515 program.

The Committee has not included any additional funds for incremental section 8 assistance as requested by the Administration.

While the Committee understands there is demand for additional section 8 assistance, the Administration's budget projections and recommendations have created such uncertainty over the ability or desire of the Administration to meet its financial commitment to preserve and renew existing section 8 contracts in future budgets that it would be very ill-advised to add additional section 8 incremental assistance at this time.

Moreover, the Congress and the Administration need to address increasing concerns that section 8 (tenant-based) vouchers do not always provide real rental choice for assisted families. Instead, because of market distortions in how section 8 rents are calculated, families with vouchers often have little choice in their rental decisions, leaving them often in low-income and very low-income neighborhoods and living in substandard housing. In a number of cases, families with vouchers are unable to use their vouchers to obtain affordable housing.

As a result, the Committee is concerned that incremental housing vouchers remain the cornerstone of the Administration's strategy to address the housing needs of low-income Americans. As noted, there is significant evidence in a number of recent utilization studies that many families are having a difficult time in using vouchers to find housing, especially in tight and low vacancy housing marketplaces. A recent survey of public housing agencies by the Council of Large Public Housing Authorities found that as many as one in five families with a voucher are unable to find housing in their communities. Finally, HUD has failed to make incremental vouchers available on a timely basis to low-income families. For each of the last 2 years, it has taken most of the fiscal year to allocate and make the incremental vouchers available to families.

The Committee requires HUD to fund a new housing production block grant program from "excess" section 8 funds; with this program effective for fiscal year 2001 only. The Committee believes that this nation needs to begin to face front and recognize the growing housing needs of very low-income families, especially the elderly and disabled.

The Committee has adopted the Administration's recommendation to defer $4,200,000,000 in section 8 funds tied to fiscal year 2001 contracts with great reluctance. As with fiscal year 2000, this hard choice had to be made since the Committee had to compensate for other shortfalls generated by the Administration's fiscal year 2001 budget.

PUBLIC HOUSING CAPITAL FUND

Appropriations, 2000	$2,900,000,000
Budget estimate, 2001	2,955,000,000
House allowance	2,800,000,000
Committee recommendation	2,955,000,000

PROGRAM DESCRIPTION

This account provides funding for modernization and capital needs of public housing authorities (except Indian housing authorities), including management improvements, resident relocation and homeownership activities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $2,955,000,000 for the public housing capital fund, the same as the budget request and $55,000,000 more than the fiscal year 2000 enacted level. HUD is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937, but is provided $75,000,000 for emergency capital needs.

PUBLIC HOUSING OPERATING FUND

Appropriations, 2000	$3,138,000,000
Budget estimate, 2001	3,192,000,000
House allowance	3,139,000,000
Committee recommendation	3,192,000,000

PROGRAM DESCRIPTION

This account provides funding for the payment of operating subsidies to some 3,050 public housing authorities (except Indian housing authorities) with a total of over 1.2 million units under management in order to augment rent payments by residents in order to provide sufficient revenues to meet reasonable operating costs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,192,000,000 for the public housing operating fund, an increase of $54,000,000 over the fiscal year 2000 level and the same as the budget request. The Committee remains concerned about the cost and accuracy of public housing operating subsidies as allocated under the performance funding system (PFS). The PFS is an outdated formula that no longer provides an accurate measure of public housing costs and the Department is late in developing a new and more accurate funding formula. The Committee continues to be concerned that the Department has not collected adequate data from PHAs on operating costs to ensure that the new formula will provide an appropriate level of funding for PHAs. HUD also is prohibited from using any funds under this account as an emergency reserve under section 9(k) of the United States Housing Act of 1937.

The Committee remains concerned with HUD's inability to develop a fair and cost-effective system to assess the financial and physical condition of the Nation's public housing stock. Despite the recent efforts of the Department to revise its new "Public Housing Assessment System" or "PHAS", a number of significant programmatic and operational problems with the system exists. Both the General Accounting Office (GAO) and the National Academy of Public Administration (NAPA) have recently identified numerous problems with PHAS. In its July 25, 2000 report (GAO/RCED–00–168), GAO found that despite the results of the first round of physical inspections performed under PHAS which indicated that most of HUD's public and multifamily housing was in satisfactory condition, HUD's quality assurance reviews "found that a number of these inspections were not carried out consistently" with HUD's requirements. GAO also found that HUD's (1) processes for overseeing its inspection contractors have problems and (2) response to develop and implement formal processes for requesting changes in inspection scores has been slow. NAPA's preliminary report concluded that "HUD's current system exhibits significant deficiencies" and validated the housing industry's concern that "these deficiencies result from the rapidity with which the system has been developed and deployed, and the inadequacy of consultations during the process." The Committee has also found that HUD's technological capacity continues to fall short of being able to handle the data it is designed to collect.

The Committee is very troubled by these findings. Accordingly, the Committee directs HUD to delay the implementation of PHAS until it (1) has complied fully with the recommendations in GAO's July 25, 2000 report and (2) has demonstrated clearly to Congress that it can administer its reporting requirements so that housing authorities can carry out their responsibilities smoothly, during normal working hours and without undue delay. Last, the Committee is aware that HUD has established a PHAS Advisory Board. The Committee believes that HUD should carry out its stated intention to convene this board officially under the Federal Advisory Committee Act and industry representation on the board should consist of industry group representatives as well as public housing authority directors. This board should examine the issue of inspection reliability. HUD should use the PHAS Advisory Board to help answer the questions of what makes up an acceptable inspection and what an acceptable, overall inspection failure rate is.

The Committee is aware of the important role that HUD plays in providing housing for elderly and disabled Americans. However, the Committee understands that elderly and disabled Americans also face critical health care needs. Therefore, the Committee directs HUD to work with the Secretary of the Department of Health and Human Services (HHS) to develop strategies to expand housing-based health care for elderly and disabled people living in Public Housing and HUD-assisted multifamily housing. The Committee directs HUD and HHS to report to the Committee on its findings and recommendations, including how HUD and HHS as well as State and local health care providers can address these needs. Nevertheless, it is expected that HHS will be the lead in the provision of any health care assistance.

DRUG ELIMINATION GRANTS FOR LOW-INCOME HOUSING

Appropriations, 2000	$310,000,000
Budget estimate, 2001	345,000,000
House allowance	300,000,000
Committee recommendation	310,000,000

PROGRAM DESCRIPTION

Drug elimination grants are provided to public and Indian housing agencies to combat drug-related crime in and around public housing developments.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $310,000,000 for drug elimination grants for low-income housing, of which $4,500,000 shall be awarded for technical assistance grants, $10,000,000 shall be appropriated to fund Operation Safe House which is administered by the HUD inspector general, $10,000,000 for administrative costs of the HUD inspector general associated with Operation Safe House, and $20,000,000 for competitive grants under the New Approach Anti-Drug Program.

The Committee remains concerned about HUD interfering with local decisonmaking on the use of drug elimination grants and believes that the proposed Community Gun Safety and Violence Reduction Initiative is both unneeded and inappropriate. HUD has no legal authority to direct local PHAs to conduct gun buy-back programs. Instead, PHAs have broad authority on the use of these funds and the Committee believes that PHAs are in the best position to use these funds to meet local needs in their efforts to maximize anti-drug and anti-crime efforts. The Committee directs HUD to identify in the fiscal year 2002 budget justifications the goals of the program and the actual performance of the grantees in meeting the goals.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC HOUSING

[HOPE VI]

Appropriations, 2000	$575,000,000
Budget estimate, 2001	625,000,000
House allowance	565,000,000
Committee recommendation	575,000,000

PROGRAM DESCRIPTION

The "Revitalization of severely distressed public housing" account is intended to make awards to public housing authorities on a competitive basis to demolish obsolete or failed developments or to revitalize, where appropriate, sites upon which these developments exist. This is a focused effort to eliminate public housing which was, in many cases, poorly located, ill-designed, and not well constructed. Such unsuitable housing has been very expensive to operate, and not possible to manage in a reasonable manner due to multiple deficiencies.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $575,000,000 for the "HOPE VI" account, $50,000,000 less than the budget request and the same as the fiscal year 2000 enacted level. The Committee urges the Department to continue funding innovative projects that work both as public and mixed-income housing as well as building blocks to revitalizing neighborhoods.

The Committee remains concerned about the future of this program once the Department meets its goal of demolishing 100,000 public housing units by the end of 2003. The Department is directed to advise the Committee on what form this program should take after 2003. The Committee remains concerned about the wide swing in the per unit cost of HOPE VI projects throughout the country as well as data that indicates a high cost for planning and professional services. Nevertheless, the Committee believes that the HOPE VI program is one of the better managed and administered programs within the Department and wishes to work with HUD in developing program reforms to control these costs.

HUD also is directed to report to the Committee by May 1, 2001 on the physical condition of elderly public housing units and any special approaches employed by HUD in meeting the physical needs of elderly public housing.

NATIVE AMERICAN HOUSING BLOCK GRANT

Appropriations, 2000	$620,000,000
Budget estimate, 2001	650,000,000
House allowance	620,000,000
Committee recommendation	650,000,000

PROGRAM DESCRIPTION

This account funds the native American housing block grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). This program provides an allocation of funds on a formula basis to Indian tribes and their tribally designated housing entities to help them address the housing needs within their communities. Under this block grant, Indian tribes will use performance measures and benchmarks that are consistent with the national goals of the program, but can base these measures on the needs and priorities established in their own Indian housing plan.

COMMITTEE RECOMMENDATION

The Committee recommends $650,000,000 for the native American housing block grant, of which $6,000,000 is set aside for a credit subsidy for a demonstration of the section 601 Loan Guarantee Program. The Committee recommendation is the same as the budget request.

The Committee remains concerned about the implementation by the administration of the native American housing block grant and the potential risk of problems within such a new and complex program. The Committee reminds HUD that it is required to report on the implementation of this program to the Committee on a semiannual basis, including recommendations to ensure that the native American housing block grant program meets the needs of this population.

The Committee believes that training and technical assistance in support of NAHASDA should be shared, with $4,000,000 to be administered by the National American Indian Housing Council (NAIHC) and $2,000,000 by HUD in support of the inspection of Indian housing units, contract expertise, training and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance. The Committee is very concerned by reports that HUD has not released any funds to NAIHC for fiscal year 2000. This is unacceptable, and HUD is prohibited from using any technical assistance until all funds have been allocated to NAIHC for both fiscal year 2000 and 2001.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM ACCOUNT

Appropriations, 2000	$6,000,000
Budget estimate, 2001	6,000,000
House allowance	6,000,000
Committee recommendation	6,000,000

PROGRAM DESCRIPTION

This program provides access to private financing for Indian families, Indian tribes and their tribally designated housing entities who otherwise could not acquire housing financing because of the unique status of Indian trust land. As required by the Federal Credit Reform Act of 1990, this account includes the subsidy costs associated with the loan guarantees authorized under this program.

COMMITTEE RECOMMENDATION

The Committee recommends $6,000,000 in program subsidies to support a loan guarantee level of $71,956,000. This is the same as the fiscal year 2000 enacted level and the fiscal year 2001 budget request. The Committee requests HUD to provide a status report on the program by June 1, 2001, assessing the success of the program in providing homeownership opportunities for native Americans, a breakdown on the use of the program by State and tribal area, and recommendations for program improvement.

OFFICE OF RURAL HOUSING AND ECONOMIC DEVELOPMENT

Appropriations, 2000	$25,000,000
Budget estimate, 2001	27,000,000
House allowance	20,000,000
Committee recommendation	27,000,000

PROGRAM DESCRIPTION

The Office of Rural Housing and Economic Development was established to ensure that the Department has a comprehensive approach to rural housing and rural economic development issues. The account includes funding for technical assistance and capacity building in rural, underserved areas, and grants for Indian tribes, State housing finance agencies, State economic development agencies, rural nonprofits and rural community development corporations to pursue strategies designed to meet rural housing and economic development needs.

COMMITTEE RECOMMENDATION

The Committee recommends $27,000,000 for the Office of Rural Housing and Economic Development for fiscal year 2001 to support housing and economic development in rural communities as defined by USDA and HUD. This funding level is $2,000,000 more than the fiscal year 2000 level and the same as the budget request. HUD is directed to administer this program according to existing regulatory requirements. It is expected that any changes to the program shall be made subject to notice and comment rulemaking.

The Committee is aware of an audit (Rpt. 00–DE–156–0001) dated March 31, 2000 conducted by the Office of Inspector General that concluded that the Office of Native American Programs inappropriately awarded $6,000,000 of the funding available for the 1998 Rural Housing and Economic Development Grants program. The Committee believes that the funding of the award for Alaska was appropriate as the funds were explicitly targeted in the legislation for the rural housing and economic development needs of Native Alaskans. However, the $2,000,000 grant award made to Sioux Ogala Tribe, located in Pine Ridge, South Dakota was made inappropriately by HUD. The legislation required these funds to be awarded on a competitive basis and the award of these funds is a clear violation of the law. The Committee understands that the Sioux Ogala Tribe has substantial housing and community development needs and cannot afford to pay back these funds. Instead, the Committee expects the Secretary to refund these amounts out of the overall funding of the Native American Housing Block Grants program. The Committee also believes that the funding of the HUD Colonias Initiative under the Rural Housing and Economic Development Grants program is inappropriate. Carving out a portion of these funds for colonias resulted in limiting the ability of a number of other deserving and eligible entities to compete for these funds.

Community Planning and Development

COMMUNITY DEVELOPMENT GRANTS

Appropriations, 2000	$4,781,235,000
Budget estimate, 2001	4,900,000,000
House allowance	4,505,000,000
Committee recommendation	4,800,000,000

PROGRAM DESCRIPTION

Under title I of the Housing and Community Development Act of 1974, as amended, the Department is authorized to award block grants to units of general local government and States for the funding of local community development programs. A wide range of physical, economic, and social development activities are eligible with spending priorities determined at the local level, but the law enumerates general objectives which the block grants are designed to fulfill, including adequate housing, a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income. Grant recipients are required to use at least 70 percent of their block grant funds for activities that benefit low- and moderate-income persons.

Funds are distributed to eligible recipients for community development purposes utilizing the higher of two objective formulas, one of which gives somewhat greater weight to the age of housing stock. Seventy percent of appropriated funds are distributed to entitlement communities and 30 percent are distributed to nonentitlement communities after deducting designated amounts for special purpose grants and Indian tribes. Pursuant to the Cranston-Gonzalez National Affordable Housing Act, Indian tribes are eligible to receive 1 percent of the total CDBG appropriation, on a competitive basis.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $4,800,000,000 for the Community Development Block Grant [CDBG] program in fiscal year 2001. This is a reduction of $100,000,000 below the budget request for fiscal year 2001, but $19,235,000 above the fiscal year 2000 level.

Set-asides under CDBG include $71,000,000 for native Americans; $3,000,000 for the Housing Assistance Council; $2,200,000 for the National American Indian Housing Council; $3,000,000 to support Alaska Native-Serving Institutions and Native Hawaiian-Serving Institutions; $3,000,000 for competitive grants awarded to Tribal Colleges and Universities to build, expand, renovate, and equip their facilities; $25,000,000 for the National Community Development Initiative and $19,500,000 for section 107 grants, including $3,000,000 for community development work study, $10,000,000 for historically black colleges and universities, $7,000,000 for insular areas and $6,500,000 for Hispanic-serving institutions.

In addition, this legislation includes a set-aside of $130,000,000 within the CDBG program for the Economic Development Initiative (EDI) to finance efforts that promote economic and social revitalization.

At a minimum, the Secretary is directed to fund the following grants as part of the economic development initiative:

$500,000 for The Palace Theater for its renovation in Manchester, NH;

$300,000 for the Manchester Historic Association for the restoration of the Millyard Museum in Manchester, NH;

$500,000 for Lewis and Clark College in Portland, Oregon for construction and program activities at Bicentennial Hall in Portland, Oregon;

$500,000 for the Portland Oregon Visitors Association for the Pioneer Courthouse Square Lobby Renovation project in Portland, Oregon;

$1,000,000 for the Community Action Agency of Southern New Mexico, Inc., for construction of a regional food bank and supporting offices; and

$500,000 for the City of Santa Fe, New Mexico, to construct a permanent site for the Santa Fe Area Farmers Market at the historic Santa Fe rail yard.

$250,000 for the Boys and Girls Club of Las Cruces, new Mexico to upgrade existing facilities;

$500,000 for Tatum, New Mexico to replace its community center;

$150,000 for the Bataan Death March Memorial for renovations in Las Cruces, New Mexico;

$1,000,000 for University of Idaho for the construction of the Center for Science and Technology in Idaho Falls, Idaho;

$1,000,000 for the City of Salmon, Idaho for land acquisition, construction, and alteration for the Sacajawea Interpretive, Cultural, and Education Center;

$500,000 for the Clearwater Economic Development Association in Northern Idaho, for implementation of the Lewis and Clark Bicentennial Plan;

$500,000 for Lewis-Clark State College for start-up activities associated with the Idaho Virtual Incubator;

$1,200,000 for MSU-Billings for the acquisition of a College of Business facility to house economic development activities;

$1,000,000 for Billings, Montana for the completion of the Billings depot project;

$500,000 for the Jefferson County Local Development Corporation in Whitehall, Montana for economic development activities;

$350,000 for the Human Resources Development council in Bozeman, Montana for the restoration of a historic property for community services offices;

$300,000 for the City of Columbia falls for the restructuring of the Old Main Veterans Facility;

$1,500,000 for the City of Memphis for the construction of the Stax Museum of American Soul Music in Memphis, Tenn;

$1,000,000 for the Detroit Rescue Mission Ministries for the purchase and renovation of a former Detroit YMCA facility;

$500,000 for Northern Initiatives to capitalize an Upper Peninsula Michigan Equity Fund to assist in the development of small businesses;

$500,000 for the University of Utah for the planning and design of the Museum of Science and Nature;

$700,000 for the Covenant House Michigan for the construction costs of a permanent Rights of Passage facility;

$500,000 for the City of Provo, Utah for the redevelopment of the Ironton area;

$1,000,000 for West Valley City, Utah for the construction of the West Valley City Multi-Cultural Community Center.

$500,000 for the Hart Mountain Wyoming foundation for an interactive learning center in Powell, Wyoming;

$500,000 for the Vermont Rural protection Task force for the purchase of equipment;

$500,000 for the Southern Vermont Recreation Center foundation in Springfield, VT;

$500,000 for the Vermont Housing and conservation Board for the development of affordable housing in Northern Vermont;

$500,000 for Marlboro College for a technology incubator facility in downtown Brattleboro, VT;

$500,000 for the Vermont Housing and conservation Board for the development of affordable housing in Williston, VT;

$500,000 for the Town of Hartford, VT for the development of the Railroad Row Historic District in downtown White River Junction, VT;

$500,000 for Vermont Technical College for economic development in Randolph, VT;

$250,000 for the Town of Fairfield, VT for the development of the President Chester A. Arthur visitor facility;

$600,000 for the City of Montrose, Colorado for the development of affordable low-income housing;

$900,000 for the Trinity Repertory Company in providence, RI for the conversion of an abandoned banking building;

$300,000 for Upper Darby Township, PA to assist residents with homes that are sinking due to soil subsidence;

$150,000 for the Urban Redevelopment Authority of Pittsburgh, PA for economic development on Pittsburgh's North Shore;

$100,000 for the City of Hazleton, PA for economic development and revitalization activities;

$750,000 for the City of Johnstown, PA for downtown economic development;

$300,000 for the City of Philadelphia, PA to assist in the relocation of families in the Logan neighborhood whose homes were built on an improperly filled creek bed;

$500,000 for Ford City, PA for brownfield revitalization;

$300,000 for the City of Chester, PA for the redevelopment of DeShong Park;

$250,000 for Erie, PA for the Discovery Square museum expansion;

$500,000 for the Please Touch Museum in Philadelphia, PA for relocation costs;

$200,000 for the Boys and Girls Club of Allentown, PA for the Northern Lehigh Community Center;

$400,000 for Allegheny County, PA for the redevelopment of the Braddock-Swissvale-Rankin industrial site;

$500,000 for the National Museum for American Jewish History in Philadelphia, PA for expansion efforts;

$500,000 for the Reading Berks Emergency Shelter in Reading, PA for the construction of a transitional housing facility for the homeless;

$250,000 for the City of Lancaster, PA for the development of the Lancaster Square project;

$100,000 for Clarion County, PA for continued development of Liberty Towers Senior Activities Facility;

$250,000 for the Nueva Esperanza Community Development Corporation in Philadelphia, PA for economic revitalization of commercial and industrial facilities;

$200,000 for Light of Life Ministries in Allegheny County, PA for infrastructure improvements at the Serenity Village homeless program;

$250,000 for Universal Community Homes for economic development activities in Philadelphia, PA;

$250,000 for the City of Philadelphia to address the safety concerns related to abandoned and structurally impaired homes

$600,000 for the City of East Providence, RI to develop recreational facilities at Crescent Park;

$300,000 for the City of State Line, Mississippi for downtown infrastructure and economic revitalization;

$1,000,000 for the City of Madison, Mississippi for the renovation of the historic downtown of Madison, Mississippi;

$500,000 for Mississippi State University for the renovation and expansion of facilities for the Stoneville, Mississippi Research and Education Complex;

$500,000 for the City of Canton for the establishment of a State film complex;

$2,000,000 for the rehabilitation and restoration of Cain Hall on the campus of Hinds Community College in Raymond, Mississippi;

$1,200,000 for the City of Bangor, Maine for the installation of steel bulkheading on the Penobscot River;

$550,000 for Vinalhaven Elder Care Services, Inc. for the development of an elder care facility;

$500,000 for the City of Dayton, Ohio for the restoration of the Main Street historic district;

$500,000 for the City of Cincinnati for the expansion of Findlay Market;

$500,000 for Cleveland Tomorrow in Cleveland, Ohio for the restoration of the Euclid Beach Carousel;

$700,000 for the Cleveland Botanical garden for the development of a glass house conservatory;

$500,000 for Skagit County for the preservation of farmland in Skagit County, Washington;

$1,000,000 for the Pacific Science Center in Seattle, Washington to complete the Mercer Island Slough Environmental Education Center;

$500,000 for the Seattle Art Museum in Seattle, Washington for site development;

$500,000 for the City of Takoma, Washington for the Downtown Revitalization and Shelter Improvements program;

$1,000,000 for the City of Lincoln, Nebraska for the construction of the Northbridge Center for Children and Youth;

$500,000 for the Southwest Border Region Partnership for an assessment of the border region's future economic health;

$250,000 for the Centro de Salud familiar La Fe in El Paso, Texas for community outreach activities to assist low-income families;

$1,000,000 for the City of Houston for redevelopment activities within Freedman's Town;

$250,000 for the Boys and Girls Club of Brownsville, Texas for building repairs and community services;

$250,000 for the George Gervin Youth center in San Antonio for the construction of a youth center;

$500,000 for the City of Beaumont, Texas to revitalize the Charlton-Pollard neighborhood;

$500,000 for the Lubbock Science Spectrum Museum to establish a Brazos River exhibit;

$500,000 for the Bayfront Arts and Science Park in Corpus Cristi, Texas for the expansion of the park;

$250,000 for West Texas A&M University to develop an integrated services center in Amarillo, Texas;

$250,000 for Sam Houston State University for the redevelopment of the Sam Houston Memorial Museum;

$3,500,000 for the University of Louisville for the expansion of the university's main library;

$1,000,000 for Oklahoma City, Oklahoma for the Oklahoma City Murrah Revitalization project;

$1,000,000 for the National Council on Agricultural Life and Labor in Dover, Delaware for a variety of housing assistance programs;

$1,000,000 for the University of Alabama, Tuscaloosa Alabama for the Gorgas House Renovation Project;

$100,000 for the Hammoundville Armory in the Town of Valley Head, Valley Head, Alabama for the renovation of historic facility to enhance economic development and tourist activity;

$500,000 for Monroeville, Alabama for the Monroe County Courthouse Restoration Project;

$1,000,000 for the Mobile Public Library, Mobile, Alabama for the renovation of facilities as part of neighborhood redevelopment project;

$500,000 for the City of LaFayette, (Chambers County) Alabama for the Chambers County Courthouse Restoration Project;

$100,000 for Union Springs, AL for the rehabilitation of facilities for downtown restoration/revitalization;

$250,000 for the Mobile Historic Development Commission for the Oakleigh District Revitalization Project;

$250,000 for the National Community College for the Deaf and Blind in Talladega Alabama for the renovation of facilities for development of economic education program;

$500,000 for Tuscaloosa, Alabama for the Tuscaloosa Alberta City Project;

$500,000 for the City of Brundidge, Alabama for the completion of Pike County Covered Arena;

$500,000 for the City of Mobile, Alabama for the Battlehouse Restoration Project;

$500,000 for Tennessee Valley Family Services Youth Home in Guntersville, Alabama for the renovation of facilities for neighborhood economic development;

$700,000 for Kansas State Historical Society for the restoration of the home of William Allen White;

$1,000,000 for the development of the Life Center at Franklin Pierce College in Ridge, NH.

$100,000 for the Housing Partnership in Portsmouth, NH to provide below market rents and to rehabilitate deteriorated buildings;

$400,000 for the Northern Forest Heritage Park in Berlin, NH to develop facilities;

$3,000,000 for the City of Meridian, Mississippi for the rehabilitation of the opera house;

$500,000 for Rowan Oak for the restoration of the home of William Faulkner in Oxford, Mississippi;

$500,000 for the George Ohr museum for the development of an African-American art center;

$500,000 for Ocean Springs, MS for the restoration of the old high school administration building;

$500,000 for Mississippi State University School of Architecture in Starkville, MS for rural revitalization;

$2,500,000 for the University of Alaska for a pilot training simulator;

$450,000 for Bird TLC for the construction of Potter's Marsh Conservation Center;

$2,000,000 for Catholic Community Services for the reconstruction of a homeless shelter and to acquire new housing stock for battered women;

$270,000 for the Fairbanks Hospitality House for the purchase and renovation of an emergency shelter;

$500,000 for Kids are People, Inc for a transitional living program for homeless youth and an emergency shelter in Wasilla, Alaska;

$3,000,000 for the Alaska Pacific University for the restoration of an historic property in Anchorage, Alaska;

$250,000 for downtown redevelopment activities in Marceline, Missouri;

$500,000 to the Ozark Action, Inc. of Missouri for low-income rural housing;

$400,000 to Sedalia, Missouri for the Katy Depot Restoration Project;

$200,000 for the Bond Family Housing Center in St. Louis, Missouri for the Transitional Housing Program;

$2,000,000 for the Community Development Corporation of Kansas City and Health Midwest Partners for Change for the revitalization initiative on the northwest corner of 63rd Street and Prospect Avenue;

$2,000,000 for the Missouri Botanical Gardens for development and revitalization activities associated with McRee Town;

$1,000,000 for Arkansas State University at Mountain Home, Arkansas for the construction of a multipurpose auditorium;

$1,000,000 for the construction of the sexually Transmitted Disease and HIV Prevention and Research Center in Marion County, Indiana.

$670,000 to the City of Spartanburg, South Carolina for Arkwright/Forest Park revitalization;

$670,000 to the South Carolina Association of Community Development Corporations in Charleston, SC for job creation, small business development and quality of life improvements within the State of South Carolina;

$660,000 to the University of South Carolina in Columbia, South Carolina to enlarge the main building at the University of South Carolina School of Public Health;

$500,000 to Helping Hands Hawaii in Honolulu, Hawaii for community based activities including the delivery of goods and services to Hawaii's needy;

$750,000 to Waipahu Community Association in Waipahu, Hawaii for renovations and the establishment of a Waipahu festival market fair;

$500,000 to the Kauai Economic Development Board in Lihue, Hawaii for site acquisition, design, construction and equipment for the West Kauai Technology Center;

$250,000 to the Maui Academy of Performing Arts in Puunene, Hawaii for the acquisition and renovation of the facility;

$250,000 to the Homestake Opera House in Lead, South Dakota for renovation of the interior of the Homestake Opera House;

$250,000 to Cedar Youth Services in Lincoln, Nebraska to complete construction of the Northbridge Center for Children and Youth;

$500,000 for the Lowell Cultural and Performing Arts Downtown Initiative in Lowell, Massachusetts for development of the site for the Lowell Performing Arts Center;

$500,000 to the City of Boston, Massachusetts for its Main Streets Program;

$325,000 to the City of Racine, Wisconsin for construction of the Racine Root River Pathway;

$300,000 to the City of Beloit, Wisconsin for the Beloit urban renewal project;

$300,000 to the Historic Third Ward Association in Milwaukee, Wisconsin to establish a public market;

$250,000 to Jentry-McDonald Corporation in Baltimore, Maryland for capital improvements to the Jentry-McDonald House;

$250,000 to the City of Takoma Park, Maryland for the construction of the Takoma Park Computer Center;

$250,000 to Montgomery County, Maryland for costs associated with the Wheaton Small Business Technology Center;

$250,000 for the Central Montana Foundation to upgrade, install technology, and facilitate occupancy of One Stop Center in Lewistown, MT;

$250,000 to the City of Indianapolis, Indiana for infrastructure needs in the King Park homeownership zone;

$1,000,000 to the City of Belen, New Mexico for construction of a community center;

$350,000 for Rio Arriba County, NM for an environmental impact statement;

$150,000 for Cochita Pueblo, NM for the construction of a community center;

$450,000 to the City of San Francisco, California for preservation and restoration of the Old Mint;

$500,000 to Booker T. Washington Outreach, Inc. in Monroe, Louisiana for construction of an Elderly Living Center;

$2,400,000 to Wheeling Jesuit University in Wheeling, West Virginia for construction of a science/computer center;

$1,800,000 to the city of Hinton, West Virginia for construction of a High Technology office building and small business incubator;

$250,000 to the Tubman African American Museum in Macon, Georgia for construction of the Tubman African American Museum;

$250,000 to the Lemmon Area Charitable and Economic Development Corporation in Lemmon, South Dakota for economic development activities;

$750,000 to the City of Fresno, California for the development of the Fresno Community Health Center Regional Medical Center;

$250,000 to the City of Inglewood, California for the Market Street Senior Center;

$100,000 to the Mathilda Geppert Childcare Center in Vermillion, South Dakota for development of a child day care center;

$75,000 to the City of Clark, South Dakota for construction of a community childcare facility;

$300,000 to the City of Brandon, South Dakota to construct a community library;

$1,500,000 to the City of Aberdeen, South Dakota for construction of a community center;

$500,000 to the Sioux Falls Empire Fair Association in Sioux Falls, South Dakota for infrastructure improvements to the W.H. Lyons Fairgrounds;

$250,000 to the City of Redfield, South Dakota for infrastructure improvement at its industrial park;

$250,000 to Fairfield University in Fairfield, Connecticut for continued construction of an Information Technology Center;

$250,000 to Prince George's County, Maryland for the Prince George's County Technology Commercialization Center;

$100,000 to the American Visionary Arts Museum in Baltimore, Maryland for expansion of the museum;

$1,500,000 to the Discovery Center in Williston, North Dakota for construction of a visitor center and reconstruction of former barracks at Fort Buford State Historic Site;

$250,000 to the Rural Economic Area Partnership Zones in North Dakota;

$250,000 to North Dakota State University in Fargo, North Dakota for development of a campus-based technology park;

$500,000 to the City of Taylorsville, Illinois for an emergency services center;

$1,000,000 to Loyola University in Chicago, Illinois for development of a life sciences center;

$200,000 to the Merit Music Program in Chicago, Illinois to expand Project BEGIN;

$400,000 to the City of Freeport, Illinois for Brownfields cleanup;

$100,000 to the City of Benton, Illinois for streetscape and beautification of downtown Benton;

$250,000 to the City of Charlotte, North Carolina for economic development activities within Charlotte's Wilkinson Boulevard Corridor;

$250,000 to the Museum of Latin American Art in Long Beach, California to expand and upgrade existing facilities;

$250,000 to FAME Renaissance in Los Angeles, California to continue work on a small business incubator;

$250,000 to the City of San Francisco, CA for a homeless housing initiative;

$250,000 to West River Foundation in South Dakota;

$100,000 to the South Dakota Housing Development Authority in Pierre, South Dakota for housing development;

$250,000 to Barry University in Miami Shores, Florida for an Intercultural Community Center;

$500,000 to the City of Waterloo, Iowa for the redevelopment of blighted portions of the downtown area;

$1,800,000 to Comprehensive Housing Assistance, Inc., in Baltimore, Maryland for renovations to the Concord Apartments;

$250,000 to Patterson Park Development Corporation for the purchase and rehabilitation of homes in the Patterson Park neighborhood;

$500,000 to the City of Davenport, Iowa for development of Friendly House;

$500,000 to the City of Council Bluffs, Iowa for land purchase and construction of an elderly community center;

$500,000 to the City of Des Moines, Iowa for planning of the redevelopment of the Riverpoint area;

$1,190,000 to City of Milwaukee, Wisconsin for revitalization of Menomonee Valley industrial area;

$10,000 to LaCrosse County, Wisconsin for economic development information centers;

$450,000 to Biomedical Research Foundation of Northwest Louisiana, Shreveport, Louisiana for infrastructure improvements to InterTech Park and construction of a Cleanroom Biotechnology Incubator;

$1,000,000 to University Heights Science Park, Newark, New Jersey for University Heights Science Park's Newark Digital Century Center;

$500,000 to City of Woodbury, New Jersey for downtown economic development activities;

$500,000 to Bayshore Economic Development Corporation for development of the Henry Hudson Trail;

$400,000 for Sheperd College in Sheperdstown, West Virginia for renovation of Scarborough Library;

$400,000 for Bethany College in Bethany, West Virginia for continued work on a health and wellness center;

$250,000 to Town of Millville, New Jersey for development of the Glasstown Center project;

$400,000 to City of Burlington, Vermont for Firehouse Center;

$400,000 to City of Montpelier, Vermont for Pyralisk Arts Center;

$200,000 to Vermont Youth Orchestra Association, Colchester, Vermont for rehabilitation of the Fort Ethan Allen Riding Hall;

$250,000 to Kellogg-Hubbard Library, Montpelier, Vermont for restoration of historic library and addition to the children's library;

$750,000 to Vermont Housing and Conservation Board in Brattleboro, Vermont for rehabilitation of the Westgate apartments;

$250,000 to City of Detroit, Michigan for development of a pedestrian friendly Promenade along the Detroit River;

$250,000 to Bushnell Theatre, Hartford, Connecticut for final completion of renovation;

$225,000 to Boys and Girls Club of Drew County, Arkansas for construction of general purpose facility;

$225,000 to the Boys and Girls Club of McGhee, AR for the construction of a facility;

$250,000 to the City of Santa Ana, California for the IDEA high-tech education center;

$250,000 to the Tri-States River heritage Foundation in Kennewick, Washington for an analysis of the new economic development opportunities related to the Hanford Reach National Monument;

$250,000 to Frank Lloyd Wright Darwin Martin House, Buffalo, New York for restoration work;

$1,750,000 to Washington State Department of Community Development to address farmworker housing issues in the State;

$250,000 to Trinity Repertory Pell-Chafee Theatre, Providence, Rhode Island for theater expansion and operations;

$1,250,000 to City of Henderson, Nevada for downtown redevelopment and infrastructure upgrade;

$250,000 to Opportunity Village Foundation, Las Vegas, Nevada for start-up funding for downpayment assistance program to disabled;

$500,000 to Boys and Girls Club of Las Vegas, Nevada for the renovation and expansion of existing facilities;

$750,000 to Henry and Martinsville Counties, Virginia for economic development activities;

$250,000 to Bayview Citizens for Social Justice and the Northampton-Accomack Planning District Commission to support economic development projects on the Eastern Shore of Virginia;

$250,000 to Monroe Community College, Rochester, New York to establish a Virtual Campus Center;

$1,000,000 City of Wildwood, New Jersey for revitalization of the Pacific Avenue Business District;

$250,000 for the West Virginia School of Osteopathic Medicine in Lewisburg, West Virginia for expansion of the ambulatory care facility;

$250,000 to Northeast Ventures Corporation, Duluth, Minnesota to provide capital support for micro enterprise in Northeast Minnesota;

$250,000 to City of Portland, Oregon for the Portland-Vancouver Regional Housing Affordability Pilot Program;

$400,000 to Prince George's County, Maryland for architecture, design and engineering work for redevelopment of McGuire House;

$250,000 to Howard County, Maryland for renovations to Route 1.

For each of the aforementioned EDI grants, HUD shall conduct a close-out review of each grant within 5 years to ensure the funds are used for the purpose specified. Any grants not obligated within 5 years shall be rescinded and reallocated within the next round of CDBG funds.

In addition, HUD is required to report on all projects funded under any EDI grants awarded independently by HUD, identifying the purpose of the project, the funding structure of the project, the economic impact and social utility of the project, and the lessons learned from the project that can be applied as a model throughout the country.

The Committee includes $60,000,000 for the Youthbuild program, of which $10,000,000 is for capacity building and new programs in underserved and rural areas. In addition, $4,000,000 is set-aside for capacity building by Youthbuild USA.

The Committee has included up to $55,000,000 for supportive service contracts, a critical activity.

In addition, $29,000,000 is provided for the cost of guaranteed loans, as authorized under section 108 of the Housing and Community Development Act of 1974, to subsidize a total loan principal not to exceed $1,261,000,000.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Appropriations, 2000	$1,600,000,000
Budget estimate, 2001	1,650,000,000
House allowance	1,585,000,000
Committee recommendation	1,600,000,000

PROGRAM DESCRIPTION

Title II of the National Affordable Housing Act, as amended, authorizes the HOME Investment Partnerships Program. This program provides assistance to States and units of local government for the purpose of expanding the supply and affordability of housing. Eligible activities include tenant-based rental assistance, acquisition, and rehabilitation of affordable rental and ownership housing and, also, construction of housing. To participate in the HOME Program, State and local governments must develop a comprehensive housing affordability strategy [CHAS]. There is a 25-percent matching requirement for participating jurisdictions which can be reduced or eliminated if they are experiencing fiscal distress.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,600,000,000 for the HOME Investment Partnership Program. This amount is the same as the fiscal year 2000 enacted level and $50,000,000 less than the budget request. The Committee includes $20,000,000 for housing counseling.

HOMELESS ASSISTANCE

HOMELESS ASSISTANCE GRANTS

Appropriations, 2000	$1,020,000,000
Budget estimate, 2001	1,200,000,000
House allowance	1,020,000,000
Committee recommendation	1,020,000,000

PROGRAM DESCRIPTION

The "Homeless Assistance Grants Program" account is intended to fund the emergency shelter grants program, the supportive housing program, the section 8 moderate rehabilitation single-room occupancy program, and the shelter plus care program.

COMMITTEE RECOMMENDATION

The Committee recommends $1,020,000,000 for homeless assistance grants. The amount recommended is the same as the fiscal year 2000 enacted level and $180,000,000 below the budget request for fiscal year 2001. This funding level rejects the Administration's request for $105,000,000 for section 8 homeless assistance. In addition, $105,000,000 is funded in a separate account for Shelter Plus Care. The Committee remains concerned about the funding structure of the McKinney homeless assistance grants programs and the overall direction of HUD's administration of the program. The

Committee believes that there is a need for a strong continuum of care approach which results in permanent and stable housing, not a revolving door. There is a particular need to stabilize homeless persons with mental disabilities to avoid this revolving door syndrome as well as the destabilizing impact this population can have on the effectiveness of local continuum of care strategies. Therefore, the Committee is including again this year a requirement that a minimum of 30 percent of funds be allocated to permanent housing.

In addition, there is a 25-percent match requirement for services to maintain a balance between homeless services and the development of transitional and permanent housing.

The Committee continues to be very concerned over HUD's administration of the McKinney homeless assistance programs through formula funding to local continuums of care. With the exception of the Emergency Shelter Grants program, the legislation for the Supportive Housing program, Shelter Plus Care and the Section 8 Moderate Rehabilitation SRO program requires a national competition by grantees, not a formula allocation. This is especially troubling since HUD uses a modified allocation formula pursuant to the Community Development Block Grants (CDBG) program to award funding to local continuums of care. The CDBG formula has no real nexus to homeless needs and the use of the CDBG formula also means that local continuums of care are assured of receiving a minimum amount of funds where a grant application meets certain minimum requirements regardless of the actual homeless assistance needs of the jurisdiction. Additional funds are then allocated to the local continuums of care where there is a reallocation of funds in cases where local continuums of care fail to meet the basic requirements.

In addition, HUD has failed to establish the necessary oversight requirements that are needed to ensure the appropriate use of McKinney homeless assistance funds. In effect, the continuum of care process has become a self-certifying process that presumes the appropriate use of funds at the local level. While the Committee believes that many, if not most, homeless assistance providers manage their homeless assistance programs and activities very well, there is inadequate information to ensure the funds are used well or even appropriately.

The Committee believes that HUD must collect data on the extent of homelessness in America as well as the effectiveness of the McKinney homeless assistance programs in addressing this condition. These programs have been in existence for some 15 years and there has never been an overall review or comprehensive analysis on the extent of homelessness or how to address it. The Committee believes that it is essential to develop an unduplicated count of homeless people, and an analysis of their patterns of use of assistance (HUD McKinney homeless assistance as well as other assistance both targeted and not targeted to homeless people), including how they enter and exit the homeless assistance system and the effectiveness of assistance. The Committee recognizes that this is a long term effort involving many partners. However, HUD is directed to take the lead in approaching this goal by requiring client level reporting at a jurisdictional level within 3 years.

To improve the capacity of local providers and jurisdictions to collect data, the bill includes language that makes implementation of management information systems (MIS), as well as collection and analysis of MIS data, an eligible use of Supportive Housing Program funds. Further, the bill includes language allowing HUD to use 1 percent of homeless assistance grant funds for technical assistance, for management information systems, and to further its efforts to develop an automated, client-level APR system. Of this amount, at least $1,500,000 should be used to continue on an annual basis to provide a report on a nationally representative sample of jurisdictions whose local MIS data can be aggregated yearly to document the change in demographics of homelessness, demand for homeless assistance, to identify patterns in utilization of assistance, and to demonstrate the effectiveness of assistance. The Committee also expects HUD to use technical assistance funds to assist in the development of an unduplicated count. The Committee instructs HUD to use these funds to contract with experienced academic institutions to analyze data and report to the agency, jurisdictions, providers and the Committee on findings.

HUD is directed to convene a group of experts including academics, practitioners, national organization representatives, local and State government officials, and Federal officials to make recommendations to Congress by June 1, 2001 on alternatives to the formula by which "pro rata shares" are determined for local and State jurisdictions in its homeless assistance grants program. While this Committee supports the concept of a homeless assistance block grant for allocating funds, the current formula allocation and "pro rata shares" approach appears to be in violation of current statutory authority. The Committee, therefore, expects HUD to submit its program administration to the Department of Justice for a legal review of its implementation. The Committee also support the efforts of the Senate and House Banking Committees to develop a block grant program to address homeless needs. This would provide for State and local oversight on the use of homeless assistance funds as well as facilitate the access of other programs for homeless assistance. In addition, contrary to some concerns, this approach would not further institutionalize homeless assistance since a homeless block grant could be merged into the HOME program after 5 years. This approach would allow homeless concerns to be addressed through comprehensive strategies to address overall housing and community development needs for States and jurisdictions.

The Committee expects that HUD field staff will oversee the implementation of homelessness programs funded under this title. This oversight should include annual site visits and desk and field audits of a representative sample of programs in each jurisdiction. Using this information, it should analyze Annual Performance Reports and forward an annual plan for addressing problem areas.

The Committee is concerned that a small percentage of homeless people are chronically homeless and chronically ill, have no reasonable residential alternative beyond shelter and the streets, and are disproportionately using public resources. It is the intention of this Committee that HUD and local providers increase the supply of permanent supportive housing for chronically homeless, chronically ill people over time until the need is met (estimated 150,000 units). This includes preserving the current supply of such housing and providing new housing. Accordingly, the Committee requires HUD to use not less than 30 percent of the funds appropriated for homelessness programs for permanent supportive housing including those who are chronically homeless and chronically ill people. In addition, the Committee has funded the shelter plus care program as a separate program at $105,000,000.

The Committee also recognizes that homelessness cannot be ended by homeless assistance providers alone—it requires the involvement of a full range of Federal programs. Accordingly, the Committee has included $500,000 for staffing for the Interagency Council on the Homeless. It instructs the Council specifically to require HUD, HHS, Labor, and VA to quantify the number of their program participants who become homeless, to address ways in which mainstream programs can prevent homelessness among those they serve, and to describe specifically how they provide assistance to people who are homeless. The Committee directs that the Council will be under the authority of the Assistant to the President for Domestic Policy within the Executive Office of the President. Members of the council shall be Cabinet Secretaries, and the Chairmanship of the Council shall rotate among the Secretaries of the following agencies: HUD, HHS, Labor, and VA. The members of the Council shall meet at least annually.

To the extent that State and local jurisdictions receive homeless assistance, HUD is directed to ensure that these jurisdictions pass on at least 50 percent of all administrative funds to the nonprofits administering the homeless assistance programs.

In addition, each year, the Committee faces requests for additional funds for the renewal of Shelter Plus Care and Supportive Housing contracts. The Committee supports maintaining existing programs and infrastructure for homeless assistance where appropriate. However, these requests for funding are very troubling since the local continuum of cares in which this housing is located explicitly rejected the funding of these expiring contracts. Moreover, the Committee has rejected the idea of funding these expiring contracts, especially the Shelter Plus Care expiring contracts, under the Housing Certificate Fund. These contracts are part of the continuum of care and to move these funding requirements to the Housing Certificate Fund would institutionalize these contracts and minimize the concept of the continuum of care as a comprehensive approach to homeless assistance needs. The Committee further directs HUD to report to the Congress by May 15, 2001 on (1) the method by which HUD will control quality in supportive housing and shelter plus care projects; (2) the criteria by which HUD will judge the need to renew supportive housing and shelter plus care projects; and (3) how supportive housing and shelter plus care projects fit into the continuum of care.

The Committee also funds the Shelter Plus Care program as a separate account at $105,000,000 for fiscal year 2001. The Committee rejects the Administration's request to fund contract renewals of $37,000,000 for the Shelter Plus Care program under the Housing Certificate Fund since this action would divorce the program from accountability requirements that are needed to ensure the financial integrity of projects as well as any review to ensure the project is meeting the needs of the homeless.

SHELTER PLUS CARE

Appropriations, 2000	
Budget estimate, 2001	
House allowance	
Committee recommendation	$105,000,000

PROGRAM DESCRIPTION

The Shelter Plus Care program provides rental housing assistance for homeless persons with disabilities, including tenant-based rental assistance, sponsor-based rental assistance, project-based rental assistance, or SRO assistance. Funding for supportive services is provided from other sources.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $105,000,000 for the Shelter Plus Care program for fiscal year 2001. This program was previously funded under the Homeless Assistance Grants account with the Administration recommending that the funding for Shelter Plus Care contract renewals of some $37,000,000 be funded through the Housing Certificate Fund in fiscal year 2001. The Committee rejects this recommendation since there would be no oversight or accountability for renewals to ensure the financial integrity of the project or to ensure the project is meeting the needs of the homeless within the overall structure and review process of the local continuum of care. The Committee is concerned that the continuum of care process does not meet the statutory requirements of the McKinney Homeless Assistance Act, and is especially concerned that HUD's use of a modified formula allocation pursuant to the formula requirements of the Community Development Block Grants program does not meet the nationwide needs of the homeless or provide for the necessary oversight procedures to ensure the funds are being well used. The Committee also believes that the Shelter Plus Care program is a critical program designed to meet the needs of homeless persons with disabilities and that converting this funding to a nationwide competition will help ensure that these funds are targeted to those persons and localities with the greatest needs. Shelter Plus Care programs must still be coordinated with local continua of care.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS [HOPWA]

Appropriations, 2000	$232,000,000
Budget estimate, 2001	260,000,000
House allowance	250,000,000
Committee recommendation	232,000,000

PROGRAM DESCRIPTION

The Housing Opportunities for Persons with AIDS [HOPWA] Program is designed to provide States and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons living with HIV/AIDS and their families.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $232,000,000 for this program, the same as the fiscal year 2000 enacted level and $28,000,000 less than the budget request. This Committee remains concerned about HUD's management of this program as well as the increased costs of this program. Of particular note, the budget for HOPWA currently exceeds the annual budget request of $210,000,000 for the section 811 Housing for Persons with Disabilities program, a program designed to provide housing assistance for all people with disabilities, including those with AIDS.

The Committee also requires HUD to allocate these funds in a manner designed to preserve existing HOPWA programs to the extent those programs are determined to be meeting the needs of persons with AIDS in a manner consistent with the requirements of the HOPWA program.

HOUSING PROGRAMS

HOUSING FOR SPECIAL POPULATIONS

Appropriations, 2000	$911,000,000
Budget estimate, 2001	989,000,000
House allowance	911,000,000
Committee recommendation	996,000,000

PROGRAM DESCRIPTION

This account consolidates the housing for the elderly under section 202; housing for the disabled under section 811; and public housing for Indian families. Under these programs, the Department provides capital grants to eligible entities for the acquisition, rehabilitation, or construction of housing. Twenty-five percent of the funding provided for housing for the disabled is available for tenant-based assistance under section 8.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $996,000,000 for development of additional new subsidized housing. Included in this recommendation is $783,000,000 for capital advances for housing for the elderly (section 202 housing) and $213,000,000 for capital advances for housing for the disabled (section 811 housing). This is an increase of $7,000,000 above the administration's budget request for fiscal year 2001 and provide an increase of $73,000,000 for section 202 and $12,000,000 for section 811 over the fiscal year 2000 levels. Up to 25 percent of the funding allocated for housing for the disabled can be used to fund section 8 assistance for the disabled.

The section 202 funds include up to $50,000,000 for the conversion of section 202 housing to assisted living facilities, up to $50,000,000 for grants for the new construction or substantial rehabilitation of assisted living facilities, and up to $50,000,000 for service coordinators.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses
Appropriations, 2000	$100,000,000	$140,000,000,000	$330,888,000
Budget estimate, 2001	250,000,000	160,000,000,000	330,888,000
House allowance	100,000,000	160,000,000,000	330,888,000
Committee recommendation	250,000,000	160,000,000,000	330,888,000

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

	Limitation on direct loans	Limitation on guaranteed loans	Administrative expenses	Program costs
Appropriations, 2000	$50,000,000	$18,100,000,000	$211,000,000	$153,000,000
Budget estimate, 2001	50,000,000	21,000,000,000	211,455,000	101,000,000
House allowance	50,000,000	21,000,000,000	211,455,000	101,000,000
Committee recommendation	50,000,000	21,000,000,000	211,455,000	101,000,000

PROGRAM DESCRIPTION

The Federal Housing Administration [FHA] fund covers the mortgage and loan insurance activity of about 40 HUD mortgage/loan insurance programs which are grouped into the mutual mortgage insurance [MMI] fund, cooperative management housing insurance [CMHI] fund, general insurance fund [GI] fund, and the special risk insurance [SRI] fund. For presentation and accounting control purposes, these are divided into two sets of accounts based on shared characteristics. The unsubsidized insurance programs of the mutual mortgage insurance fund and the cooperative management housing insurance fund constitute one set; and the general risk insurance and special risk insurance funds, which are partially composed of subsidized programs, make up the other.

The amounts for administrative expenses are to be transferred from the FHA program accounts to the HUD "Salaries and expenses" accounts.

Language is proposed to provide a commitment limitation amounting to $160,000,000,000 in the "MMI/CMHI" account and $21,000,000,000 in the "GI/SRI" account.

COMMITTEE RECOMMENDATION

The Committee has included the requested amounts for the "Mutual Mortgage Insurance Program" account: a limitation on guaranteed loans of $160,000,000,000, a limitation on direct loans of $250,000,000, and an appropriation of $330,888,000 for administrative expenses. For the GI/SRI account, the Committee recommends $21,000,000,000 as a limitation on guaranteed loans, a limitation on direct loans of $50,000,000, and $211,455,000 for administrative expenses. The administrative expenses appropriation will be transferred and merged with the sums in the Department's "Salaries and expenses" account and the "Office of the Inspector General" account.

In addition, the Committee directs HUD to continue direct loan programs in 2001 for multifamily bridge loans and single family purchase money mortgages to finance the sale of certain properties owned by the Department. Temporary financing would be provided for the acquisition and rehabilitation of multifamily projects by purchasers who have obtained commitments for permanent financing from another lender. Purchase money mortgages would enable governmental and nonprofit intermediaries to acquire properties for resale to owner-occupants in areas undergoing revitalization.

The Committee is troubled that HUD has ignored the guidance it provided when it amended Section 204 of the National Housing Act (12 U.S.C. 1710) to create the "Asset Control Areas" (ACA) program. By partnering with qualified nonprofit organizations and local governments, the ACA program was intended to address the growing number of FHA-owned, foreclosed homes in distressed communities across the country and promote homeownership as a tool to stabilize these neighborhoods under siege because of HUD's negligence.

Unfortunately, many participants in the ACA pilot programs are finding that most properties are so dilapidated that the cost of needed rehabilitation or demolition (of the worst properties in the inventory) far exceeds the market value for these homes, making homeownership virtually impossible for the low-income families Congress intended to serve. Pilot participants are finding that HUD's current ACA pricing structure appears to be adequate only in strong real estate markets, where homeownership rates and income levels are high. For seriously distressed properties, or those located in weak real estate markets with higher concentrations of low-income residents, however, the discount structure is grossly inadequate. Furthermore, appraisers often do not understand local code requirements and many times have no understanding of repair estimates or rehab costs. These problems have resulted in inflated and imprecise appraisals that, even after HUD's discount, leave the homes overpriced for the local market, creating huge subsidy gaps.

In passing the enabling legislation 2 years ago in the VA, HUD Appropriations Act, Congress gave HUD maximum flexibility and "sole discretion" in determining a pricing structure for the ACA program that would support the effective redevelopment of FHA's foreclosed inventory of homes in selected target areas and in crafting a program that promotes neighborhood revitalization through homeownership opportunities. As such, the Committee directs HUD to amend its pricing structure in order to meet the needs and conditions of local communities and sell these assets to "preferred purchasers" (nonprofits or local governments) at enough of a discount to enable the purchasers to rehabilitate them and sell them at prices affordable to low-income residents. Repair estimates should be based on local code and certificate of occupancy standards and should be provided to appraisers prior to the appraisal. Likewise, local certified appraisers who are familiar with local code, rehabilitation standards and costs for repairs should perform the appraisals from which the discount will be applied. In cases where homes are severely dilapidated and demolition is the only feasible solution, HUD should pay for the demolition costs at whatever expense necessary based on the condition of the inventory, in order to meet local community standards.

Further, HUD should sell homes at prices that, after "adequate rehabilitation" (defined by the Conferees as "homes that are in good, safe and habitable condition, where major systems are dependable and in good repair, and where the properties are marketable to owner occupants given the standards and preferences of the local community"), will assure that the homes are affordable to families at or below 60 percent of area median income, paying no more than 30 percent of their income for their housing (mortgage principle and interest, taxes and insurance).

HUD is directed to report to the Committee by May 15, 2001 on the current status of the FHA single family property disposition program, enacted as part of the VA/HUD fiscal year 1999 Appropriations bill, including the status of the program and an analysis of all savings achieved to date and anticipated to be achieved over the next 5 years. Moreover, the Committee is aware of the large number of single-family homes currently in the Federal Housing Administration (FHA) inventory. The Committee believes FHA can be a positive force in reducing this inventory while helping neighborhoods and communities redevelop their housing stock. Therefore, the Committee directs FHA to use available funds in the MMIF to repair and/or rehabilitate single-family homes in its inventory. The Committee directs FHA to give priority to local governments and non-profit institutions who have established neighborhood redevelopment plans. FHA should use its financial resources to repair and renovate homes where there are established redevelopment plans. FHA should be in the business of rebuilding and stabilizing neighborhoods to help prevent property flipping and predatory lending, which have devastated many communities across the country.

The Committee is aware of the reforms announced by the FHA on May 19, 2000 to combat problems associated with property flipping and predatory lending. The Committee commends the Department for announcing these important reforms. The Committee supports the reforms announced, and urges the Department to move forward expeditiously in implementing the reforms. The Committee directs HUD to report back to the Committee on Appropriations no later than December 15, 2000 on: (1) How the FHA reforms are being implemented; (2) The current status of the implementation of the reforms; (3) FHA's long-term plan for institutionalizing the reforms; (4) How FHA plans to monitor compliance with the reforms; and (5) What resources will be devoted to monitoring compliance.

Government National Mortgage Association

GUARANTEES OF MORTGAGE-BACKED SECURITIES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000:	
Limitation on guaranteed loans	$200,000,000,000
Administrative expenses	9,383,000
Budget estimate, 2001:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	9,383,000
Administrative (contract) expenses	40,000,000
House allowance, 2001:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	9,383,000
Administrative (contract) expenses	....
Committee recommendation:	
Limitation on guaranteed loans	200,000,000,000
Administrative expenses	9,383,000
Administrative (contract) expenses	....

PROGRAM DESCRIPTION

The Government National Mortgage Association [GNMA], through the mortgage-backed securities program, guarantees privately issued securities backed by pools of mortgages. GNMA is a wholly owned corporate instrumentality of the United States within the Department. Its powers are prescribed generally by title III of the National Housing Act, as amended. GNMA is authorized by section 306(g) of the act to guarantee the timely payment of principal and interest on securities that are based on and backed by a trust, or pool, composed of mortgages that are guaranteed and insured by the Federal Housing Administration, the Farmers Home Administration, or the Department of Veterans Affairs. GNMA's guarantee of mortgage-backed securities is backed by the full faith and credit of the United States.

In accord with the Omnibus Budget Reconciliation Act of 1990 [OBRA] requirements for direct and guaranteed loan programs, the administration is requesting $9,383,000 for administrative expenses in the mortgage-backed securities program. Amounts to fund this direct appropriation to the "MBS program" account are to be derived from offsetting receipts transferred from the "Mortgage-backed securities financing" account to a Treasury receipt account.

COMMITTEE RECOMMENDATION

The Committee recommends a limitation on new commitments of mortgage-backed securities of $200,000,000,000. This amount is the same level as proposed by the budget request. The Committee also has included $9,383,000 for administrative expenses, the same as the budget request. The Committee does not include an additional $40,000,000 for administrative "contract" expenses, as requested by the Administration.

Policy Development and Research

RESEARCH AND TECHNOLOGY

Appropriations, 2000	$45,000,000
Budget estimate, 2001	62,000,000
House allowance	40,000,000
Committee recommendation	45,000,000

PROGRAM DESCRIPTION

Title V of the Housing and Urban Development Act of 1970, as amended, directs the Secretary of the Department of Housing and Urban Development to undertake programs of research, studies, and reports relating to the Department's mission and programs. These functions are carried out internally and through grants and contracts with industry, nonprofit research organizations, educational institutions, and through agreements with State and local governments and other Federal agencies. The research programs focus on ways to improve the efficiency, effectiveness, and equity of HUD programs and to identify methods to achieve cost reductions. Additionally, this appropriation is used to support HUD evaluation and monitoring activities and to conduct housing surveys.

COMMITTEE RECOMMENDATION

The Committee recommends $45,000,000 for research and technology activities in fiscal year 2001. This amount is the same as the fiscal year 2000 enacted level and $17,000,000 less than the budget request. Of this funding, $10,000,000 is allocated to the Partnership for Advancing Technologies in Housing (PATH) program. The Committee expects the PATH program to continue its cold climate housing research with the Cold Climate Housing Research Center in Fairbanks, Alaska. In addition, because HUD in the past has used this office's broad authority to administer new and unauthorized programs, this office is denied demonstration authority except where approval is provided by Congress in response to a reprogramming request.

Fair Housing and Equal Opportunity

FAIR HOUSING ACTIVITIES

Appropriations, 2000	$44,000,000
Budget estimate, 2001	50,000,000
House allowance	44,000,000
Committee recommendation	44,000,000

PROGRAM DESCRIPTION

The fair housing activities appropriation includes funding for both the Fair Housing Assistance Program [FHAP] and the Fair Housing Initiatives Program [FHIP].

The Fair Housing Assistance Program helps State and local agencies to implement title VIII of the Civil Rights Act of 1968, as amended, which prohibits discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. The major objective of the program is to assure prompt and effective processing of title VIII complaints with appropriate remedies for complaints by State and local fair housing agencies.

The Fair Housing Initiatives Program is authorized by section 561 of the Housing and Community Development Act of 1987, as amended, and by section 905 of the Housing and Community Development Act of 1992. This initiative is designed to alleviate housing discrimination by increasing support to public and private organizations for the purpose of eliminating or preventing discrimination in housing, and to enhance fair housing opportunities.

COMMITTEE RECOMMENDATION

The Committee recommendation provides $44,000,000, of which $22,000,000 is for the fair housing assistance program [FHAP] and no more than $22,000,000 is for the fair housing initiatives program [FHIP]. The funding for the FHIP program includes $7,500,000 to fund the final year of a three-year audit-based enforcement initiative. This appropriation does not include $2,500,000 for the Project for Accessibility Training and Technical Assistance, $1,000,000 for a HUD training academy, or $3,500,000 for the Fair Housing Partnership.

The Committee emphasizes that State and local agencies under FHAP should have the primary responsibility for identifying and addressing discrimination in the sale, rental, and financing of housing and in the provision of brokerage services. It is critical that consistent fair housing policies be identified and implemented to insure continuity and fairness, and that States and localities continue to increase their understanding, expertise, and implementation of the law.

The Committee remains concerned that the HUD Office of Fair Housing and Equal Opportunity continues to pursue regulatory authority over the property insurance industry through the Fair Housing Act. This activity is not within the ambit of the law. Moreover, while HUD has indicated that it does not intend to focus its regulatory authority over the property insurance requirements, the Committee reminds the Department that the McCarran-Ferguson Act of 1945 explicitly states that, "unless a Federal law specifically relates to the business of insurance, that law shall not apply where it would interfere with State insurance regulation." Any HUD assertion of authority regarding property insurance regulation contradicts this statutory mandate.

Moreover, HUD's insurance-related activities duplicate State regulation of insurance. Every State and the District of Columbia have laws and regulations addressing unfair discrimination in property insurance and are actively investigating and addressing discrimination where it is found to occur. HUD's activities in this area create an unwarranted and unnecessary layer of Federal bureaucracy.

OFFICE OF LEAD HAZARD CONTROL

LEAD HAZARD REDUCTION

Appropriations, 2000	$80,000,000
Budget estimate, 2001	120,000,000
House allowance	80,000,000
Committee recommendation	100,000,000

PROGRAM DESCRIPTION

Title X of the Housing and Community Development Act of 1992 established the Residential Lead-Based Paint Hazard Reduction Act under which HUD is authorized to make grants to States, localities and native American tribes to conduct lead-based paint hazard reduction and abatement activities in private low-income housing. This has become a significant health hazard, especially for children. According to the Centers for Disease Control and Prevention [CDC], some 890,000 children have elevated blood levels, down from 1.7 million in the late 1980s. Despite this improvement, lead poisoning remains a serious childhood environmental condition, with some 4.4 percent of all children aged 1 to 5 years having elevated blood lead levels. This percentage is much higher for low-income children living in older housing.

COMMITTEE RECOMMENDATION

The Committee recommends $100,000,000 for lead-based paint hazard reduction and abatement activities for fiscal year 2001. This is $20,000,000 less than the President's budget request for fiscal year 2001 and $20,000,000 more than the fiscal year 2000 appropriation level. Of this amount, HUD may use up to $10,000,000 for the Healthy Homes Initiative under which HUD conducts a number of activities designed to identify and address housing-related illnesses. The Committee continues to be concerned that HUD does not have a coherent and comprehensive police for addressing the risks of lead-based paint hazards in housing. The Department is expected to develop a policy that links Federal education outreach and remediation efforts with State, local, nonprofit and private funding efforts towards the abatement of lead-based paint hazards.

Management and Administration

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

[In thousands of dollars]

	Appropriation	FHA funds by transfer	GNMA funds by transfer	CGDB funds by transfer	Title VI transfer	Indian housing	Total
Appropriations, 2000	477,000	518,000	9,383	....	150	200	1,005,733
Budget estimate, 2001	565,000	518,000	9,383	....	150	200	1,094,722
House allowance	474,647	518,000	9,383	1,000	150	200	1,003,380
Committee recommendation	477,000	518,000	9,383	....	150	200	1,005,733

PROGRAM DESCRIPTION

The recommendation includes a single "Salaries and expenses" account to finance all salaries and related expenses associated with administering the programs of the Department of Housing and Urban Development. These include the following activities:

Housing and mortgage credit programs.—This activity includes staff salaries and related expenses associated with administering housing programs, the implementation of consumer protection activities in the areas of interstate land sales, mobile home construction and safety, and real estate settlement procedures.

Community planning and development programs.—Funds in this activity are for staff salaries and expenses necessary to administer community planning and development programs.

Equal opportunity and research programs.—This activity includes salaries and related expenses associated with implementing equal opportunity programs in housing and employment as required by law and Executive orders and the administration of research programs and demonstrations.

Departmental management, legal, and audit services.—This activity includes a variety of general functions required for the Department's overall administration and management. These include the Office of the Secretary, Office of General Counsel, Office of Chief Financial Officer, as well as administrative support in such areas as accounting, personnel management, contracting and procurement, and office services.

Field direction and administration.—This activity includes salaries and expenses for the regional administrators, area office managers, and their staff who are responsible for the direction, supervision, and performance of the Department's field offices, as well as administration support in areas such as accounting, personnel management, contracting and procurement, and office services.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $1,002,233,000 for salaries and expenses. This amount is the same as the fiscal year 2000 enacted level and the budget request. The appropriation includes the requested amount of $518,000,000 transferred from various funds from the Federal Housing Administration, $9,383,000 transferred from the Government National Mortgage Association, $1,000,000 from the community development block grant funds, $150,000 from title VI, and $200,000 from the native American housing block grant.

In addition, the Department is prohibited from employing more than 77 schedule C and 20 noncareer senior executive service employees.

The Department also is prohibited from employing more than 9,100 FTEs, including all OMHAR employees and any contract employees working on-site in a position which would normally be occupied by an FTE. HUD also is prohibited from employing more than 14 FTEs in the Office of Public Affairs.

The Committee is concerned that HUD's request for salaries and expenses does not reflect the Secretary's implementation of the HUD 2020 management reform plan. The Committee directs HUD to submit to the Committee as part of its operating plan, an analysis of the HUD budget request for salaries and expenses for fiscal year 2001, including all projected savings from the Secretary's reform efforts. The report should include a breakdown of all salaries and expenses and staff by program, office, and grade, including all staffing costs in the field. All expenses, other than staffing costs, such as travel costs and public relations costs, within this account also should be clearly identified.

The Committee is concerned that the Department has not met its obligation to dismantle the Community Builders program, and instead has taken the program in house. The VA/HUD fiscal year 2000 Appropriations Act was clear that the Community Builders program was to terminate as of September 1, 2000, and HUD was directed not to recreate the positions within HUD. The Committee also is concerned that HUD has overhired, outside its own budget request. Even more troubling is the fact that the average cost of FTEs continues to climb each year, with costs exceeding inflation. In fact, the average cost of FTEs for HUD grew from $58,000 in fiscal year 1995 to $72,000 in fiscal year 1999 to an estimated $78,000 in fiscal year 2000. To control the out of control cost of HUD FTEs, the legislation caps the average cost per FTE at $78,000.

In addition, HUD has failed to provide an adequate staffing analysis to the Congress despite repeated requests to match program needs with staffing expertise. As a result, the Committee requests HUD to submit a report by January 31, 2001 to the Committee on Appropriations that identifies how the Department has matched staffing expertise with program needs, including an analysis of future staffing needs and cost.

The Committee recognizes that HUD's Office of Multifamily Housing Assistance Restructuring (OMHAR) is authorized to terminate on September 30, 2001. The original intent of this office was to ensure that the "mark-to-market" program was implemented without political influence from HUD and to ensure that qualified staff with the necessary expertise could be hired to oversee the program's implementation. When the program was enacted into law, both the administration and the Congress anticipated significant savings for section 8 renewals since above market contract rents were to be lowered to real market rent levels. However, the program has been fraught with delays due to unnecessary and prolonged negotiation tactics by OMHAR, an overly prescriptive operating program guide, and the inability to utilize fully State housing finance agencies that were intended by the Congress to administer most of the restructuring activities. And due to these delays, no full restructuring deals had been completed until last month.

Due to OMHAR's failure to implement effectively the program, the Committee prohibits the Department and OMHAR in providing any salary bonuses or increases, or staff promotions until it has been able to complete 100 full restructuring deals by June 29, 2001. The Committee hopes that OMHAR will streamline the restructuring process and provide the flexibility necessary for the State housing finance agencies to administer the program as intended by the Congress.

The Committee believes that OMHAR's authorization should not be continued and instead, its functions should be transferred to HUD beginning in fiscal year 2001. The Committee directs HUD in consultation with OMHAR to develop a transition plan that will detail how the mark-to-market program functions will be transferred from OMHAR to FHA's Office of Multifamily Housing. A preliminary transition plan should be submitted to the Committees on Appropriations by December 15, 2000 with a final transition plan included as part of the Department's fiscal year 2001 Operating Plan.

The transition should be completed no later than September 30, 2001. The transition plan must include a workload analysis on the appropriate level of staffing needed at FHA to oversee the program and a process for hiring or terminating current OMHAR employees and officers. Further, the Committee directs HUD to be in charge of making any staffing changes (e.g., hiring, terminations, extensions) during fiscal year 2001.

The Committee has been concerned for some time as to whether funds appropriated for information technology are being well spent and are helping to improve the performance of the Department. To help ensure that HUD's investments in information technology are managed wisely, the Committee directs HUD to provide data on its information technology projects. HUD is reportedly managing its information technology investment portfolio and therefore providing this information to the Committee would not impose any additional burden. The report to the Committee should be submitted on a quarterly basis and contain: (1) information technology investments (including new projects or initiatives, ongoing projects or initiatives, and steady State operations (such as the day-to-day operations and maintenance of computer and communications facilities and existing systems) that HUD is planning to fund during the fiscal year and the estimated costs, any changes to those investment plans, the importance of the investments to HUD, funding spent to date, and planned spending for the remainder of the fiscal year; (2) information on whether the investments are meeting the cost, schedule, and results targets set for them, and any oversight or corrective actions being taken; and (3) other metrics or performance indicators that HUD is using to monitor project health and risks, and reassess the progress or continued worth of its investments.

In particular, HUD is directed to report by March 1, 2001 on all funding spent over the last 4 years to develop all accounting systems within the Department, including the current status and any changes that have been made to the contracts for these accounting requirements. This report should identify the overall costs of these systems, current status and the benchmarks for completion. Funding for these requirements are to be included in the Department's operating plan and any changes in funding shall be subject to reprogramming requirements.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

	Appropriation	FHA funds by transfer	Drug elimination grants transfer	Total
Appropriations, 2000	$50,657,000	$22,343,000	$10,000,000	$83,000,000
Budget estimate, 2001	52,000,000	22,343,000	10,000,000	84,000,000
House allowance	50,657,000	22,343,000	10,000,000	83,000,000
Committee recommendation	55,500,000	22,343,000	10,000,000	87,843,000

PROGRAM DESCRIPTION

This appropriation would finance all salaries and related expenses associated with the operation of the Office of the Inspector General [OIG].

COMMITTEE RECOMMENDATIONS

The Committee recommends a funding level of $87,843,000 for the Office of Inspector General (OIG). This amount is $4,843,000 above the fiscal year 2000 enacted level and $3,500,000 above the budget request. This funding level includes $22,343,000 by transfer from various FHA funds and $10,000,000 from drug elimination grants, the same level as proposed in the budget request. The Committee commends OIG for its commitment and its efforts in reducing waste, fraud and abuse in HUD programs.

Office of Federal Housing Enterprise Oversight

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$19,493,000
Budget estimate, 2001	25,800,000
House allowance	22,000,000
Committee recommendation	22,000,000

PROGRAM DESCRIPTION

This appropriation funds the Office of Federal Housing Enterprise Oversight [OFHEO], which was established in 1992 to regulate the financial safety and soundness of the two housing Government sponsored enterprises [GSE's], the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. The Office was authorized in the Federal Housing Enterprise Safety and Soundness Act of 1992, which also instituted a three-part capital standard for the GSE's, and gave the regulator enhanced authority to enforce those standards.

COMMITTEE RECOMMENDATION

The Committee recommends $22,000,000 for the Office of Federal Housing Enterprise Oversight, which is $3,800,000 less than the budget request and $2,507,000 more than the fiscal year 2000 level. The Committee directs OFHEO to submit to the Congress a staffing and resource plan that identifies staffing needs with oversight responsibilities.

Administrative Provisions

The Committee recommends 18 administrative provisions. A brief description follows.

SEC. 201. *Financing Adjustment Factor.* Promotes the refinancing of bonds.

SEC. 202. *Fair Housing and Free Speech.* Provides free speech protections.

SEC. 203. *HOPWA.* Technical correction for allocations.

SEC. 204. *Due Process for Homeless Assistance.* Requires HUD to establish due process requirements for removing convenors/administrators in the McKinney Homeless Assistance programs.

SEC. 205. *HUD Reform Act Compliance.* Requires HUD to award assistance on a competitive basis.

SEC. 206. *NEPA Review.* Delegates NEPA review under the McKinney homeless assistance programs.

SEC. 207. *Technical Corrections to National Housing Act.* Technical corrections to FHA.

SEC. 208. *Defines Law Enforcement Families under NAHASDA.* Allows housing assistance for law enforcement officers.

SEC. 209. *Prohibition of Federal Funds in Support of the Sale of Tobacco Products.* Prohibits HUD from funding any facility that predominantly sells cigarettes or tobacco products.

SEC. 210. *Prohibition of Implementation of Puerto Rico PHA Settlement Agreement.* Prohibits the implementation of the PRPHA settlement agreement without adequate evidence of meeting goals to address mismanagement, fraud and abuse.

SEC. 211. *HOPE VI Grant for Hollander Ridge.* Reprograms HOPE VI funding.

SEC. 212. *Reduced FHA Downpayments for Teachers and Police.* Allows reduced downpayment requirements for teachers and police.

SEC. 213. *Computer Access for Public Housing Residents.* Allows development of computer infrastructure as an eligible expense of public housing capital account and HOPE VI.

SEC. 214. *Mark-to-Market Reform.* Makes properties in Independence, Missouri eligible for mark-to-market.

SEC. 215. *Section 236 Excess Income.* Extends section 236 excess income eligibility through 2001.

SEC. 216. *CDBG Eligibility.* Grandfathers program eligibility for existing CDBG grantees.

SEC. 217. *Low-Income Multifamily Risk-Sharing Mortgage Insurance.* Establishes a new multifamily insurance program that targets at least 25 percent of insured units to very low-income families.

SEC. 218. *Exemption for Alaska and Mississippi from requirement of resident on board of PHA*. Exempts Alaska and Mississippi from the requirement of having a PHA tenant on the board of a PHA for fiscal year 2001.

TITLE III—INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

Appropriations, 2000	$28,359,000
Budget estimate, 2001	26,196,000
House allowance	28,000,000
Committee recommendation	26,196,000

PROGRAM DESCRIPTION

The American Battle Monuments Commission [ABMC] is responsible for the maintenance and construction of U.S. monuments and memorials commemorating the achievements in battle of our Armed Forces where they have served since April 1917; for controlling the erection of monuments and markers by U.S. citizens and organizations in foreign countries; and for the design, construction, and maintenance of permanent military cemetery memorials in foreign countries. The Commission maintains 24 military memorial cemeteries and 31 monuments, memorials, markers, and offices in 15 countries around the world. In addition, the Commission administers three large memorials on U.S. soil. It is presently charged with erecting a World War II Memorial in the Washington, DC, area.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $26,196,000 for the American Battle Monuments Commission, which is $2,163,000 below the fiscal year 2000 enacted level.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

Appropriations, 2000	$8,000,000
Budget estimate, 2001	8,000,000
House allowance	8,000,000
Committee recommendation	7,000,000

PROGRAM DESCRIPTION

The Chemical Safety and Hazard Investigation Board was authorized by the Clean Air Act Amendments of 1990 to investigate accidental releases of certain chemical substances resulting in serious injury, death, or substantial property damage. It became operational in fiscal year 1998.

COMMITTEE RECOMMENDATION

The Committee recommends $7,000,000 for the Chemical Safety and Hazard Investigation Board, a decrease of $1,000,000 below the fiscal year 2000 enacted level and the budget request.

The Committee is extremely troubled by the lack of accomplishments and the fractionalized, unproductive environment that has characterized this agency for most of the last year. While the new management structure seems to be yielding some positive results, the Committee will be monitoring closely the agency's activities and productivity.

The Committee notes that three of the Board members recently petitioned the President to remove the former chairman from his position as a board member. The Committee urges the President to act on this request expeditiously to address very serious allegations of malfeasance in office, neglect of duty, and inefficiency. Failure of the White House to Act will make it very difficult for the agency to move beyond the divisive and unproductive environment and meet its objectives.

The Committee has included bill language authorizing the Inspector General of FEMA to act as the Inspector General of the Chemical Safety Board. Funds have been included to accomplish this requirement in the FEMA OIG appropriation.

Not later than March 1, 2002, and each year thereafter, the Chief Operating Officer of the Board shall prepare a financial statement for the preceding fiscal year, covering all accounts and associated activities of the Board. Each financial statement of the Board will be prepared according to the form and content of the financial statements prescribed by the Office of Management and Budget for executive agencies required to prepare financial statements under the Chief Financial Officers Act of 1990, as amended by the Government Management Reform Act of 1994. Each financial statement prepared under 31 USC 3515 by the Board shall be audited according to applicable generally accepted government auditing standards by the Inspector General of the Board or an independent external auditor, as determined by the Inspector General. The IG shall submit to the Chief Operating Officer of the Board a report on the audit not later than June 30 following the fiscal year for which a statement was prepared.

The Committee has again included bill language limiting the number of career senior executive service positions to three.

DEPARTMENT OF THE TREASURY

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Appropriations, 2000	$95,000,000
Budget estimate, 2001	125,000,000
House allowance	105,000,000
Committee recommendation	95,000,000

PROGRAM DESCRIPTION FOR CDFI FUND

The community Development Financial Institutions Fund primarily provides grants, loans, equity investments, deposits, and technical assistance to new and existing community development financial institutions. These include community development banks, credit unions, and venture capital funds; revolving loan funds; and microloan funds. Recipient institutions engage in lending and investment for affordable housing, small business and community development within underserved communities.

COMMITTEE RECOMMENDATION

The Committee recommends $95,000,000 for CDFI, the same level as appropriated in fiscal year 2000 and $30,000,000 below the administration's request. While the CDFI Fund has made a greater effort to measure its performance, its track record is still unclear and some of its activities clearly overlap with those of other Federal programs designed to revitalize distressed communities. The Committee believes that it is not only important to understand whether the Fund's activities are achieving its mandated purposes, but just as importantly, how cost-effective and efficient its activities are in comparison to other similar Federal efforts. Accordingly, the Committee directs CDFI to include in its fiscal year 2002 Congressional Justifications, a comparison of its activities with other similar Federal efforts, including those of the Department of Housing and Urban Development and National Credit Union Administration. This comparison should include measurable performance outcomes including the number of affordable rental housing units developed.

The Committee also recommends a set-aside of $5,000,000 for grants, loans, and technical assistance and training programs to benefit Native American, Alaskan Natives, and Native Hawaiian communities in the coordination of development strategies, increased access to equity investments, and loans for development activities. Development activities include investment in business opportunities, mortgage lending, human development, and other activities that support long-term economic growth in Indian communities. The Committee, however, is concerned about the Fund's capacity to administer this program due to its lack of expertise in Native American issues and therefore, directs the Fund to use qualifying entities that have expertise in and familiarity with Native American lending and community development activities.

The Committee remains concerned about CDFI's lending activities in rural areas, especially the Fund's use of its Bank Enterprise Award (BEA) program. The administration notes that changes to the BEA authorizing language is needed to remove its impediment to serve rural areas. The Committee urges the administration to work with the Banking Committees to resolve this problem.

Consumer Product Safety Commission

SALARIES AND EXPENSES

Appropriations, 2000	$48,814,000
Budget estimate, 2001	52,500,000
House allowance	51,000,000
Committee recommendation	52,500,000

PROGRAM DESCRIPTION

The Commission is an independent regulatory agency that was established on May 14, 1973, and is responsible for protecting the public against unreasonable risks of injury from consumer products; assisting consumers to evaluate the comparative safety of consumer products; developing uniform safety standards for consumer products and minimizing conflicting State and local regulations; and promoting research and investigation into the causes and prevention of product-related deaths, illnesses, and injuries.

In carrying out its mandate, the Commission establishes mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products; helps industry develop voluntary safety standards; bans unsafe products if it finds that a safety standard is not feasible; monitors recalls of defective products; informs and educates consumers about product hazards; conducts research and develops test methods; collects and publishes injury and hazard data, and promotes uniform product regulations by governmental units.

COMMITTEE RECOMMENDATION

The Committee recommends $52,500,000 for the Consumer Product Safety Commission, the same as the budget estimate and an increase of $3,686,000 above the fiscal year 2000 enacted level.

Corporation for National and Community Service

NATIONAL AND COMMUNITY SERVICE PROGRAMS

OPERATING EXPENSES

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

Appropriations, 2000	$433,153,000
Budget estimate, 2001	533,700,000
House allowance	....
Committee recommendation	433,500,000

PROGRAM DESCRIPTION

The Corporation for National and Community Service, a Corporation owned by the Federal Government, was established by the National and Community Service Trust Act of 1993 (Public Law 103–82) to enhance opportunities for national and community service and provide national service educational awards. The Corporation makes grants to States, institutions of higher education, public and private nonprofit organizations, and others to create service opportunities for a wide variety of individuals such as students, out-of-school youth, and adults through innovative, full- and part-time national and community service programs. National service participants may receive education awards which may be used for full-time or part-time higher education, vocational education, job training, or school-to-work programs.

The Corporation is governed by a Board of Directors and headed by the Chief Executive Officer. Board members and the Chief Executive Officer are appointed by the President of the United States and confirmed by the Senate.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $433,500,000 for the Corporation for National and Community Service. Of this amount, $75,000,000 is for education awards; $207,500,000 is for grants under the National Service Trust, including the AmeriCorps program; $10,000,000 is for the Points of Light Foundation; $18,000,000 is for the Civilian Community Corps; $43,000,000 is available for school-based and community-based service-learning programs; $29,000,000 is for administrative expenses; $5,000,000 is for audits and other evaluations; $7,500,000 is for America's Promise; $2,500,000 is for the Parents as Teachers National Center, Inc.; $2,500,000 is for the Boys and Girls Clubs of America; and $5,000,000 is for Communities In Schools. The total amount is $347,000 more than the fiscal year 2000 enacted level and $100,200,000 below the budget request.

For the second consecutive year, the Corporation received an unqualified opinion on its Statement of Financial Position and in general, the Corporation had made significant progress in correcting some of its long-standing financial management problems. However, the independent auditors were again unable to render an opinion on the Corporation's Statement of Operations and Changes in Net Position, and the Statement of Cash Flows. More importantly, the Corporation continues to be hampered by material weaknesses in five major management areas.

One of the most critical material weaknesses is in the area of grants management. The Inspector General (IG) has found numerous problems in the grants management area including instances of waste, fraud, and abuse by State commissions and national nonprofit grantees. In the administration's request, the Corporation has requested the legal authority to provide additional administrative funds to troubled State grantees. Currently, each State commission must provide a 50 percent match for any administrative funds received from the Corporation. Nevertheless, the Corporation seeks to waive this matching requirement for troubled grantees.

The Committee is extremely troubled by the administration's proposal to provide additional funds to troubled grantees and to waive the current matching requirement. The Committee believes that the administration's proposal sends the wrong signal that the Federal Government awards poor performers. Accordingly, the Committee rejects these proposals and the administration's request for an additional $3,600,000 in program administration funds for troubled grantees. Instead, the Committee directs the Corporation to develop a "resolution plan" for each troubled grantee identified by either the Corporation or the IG that would lay out the steps necessary to correct the grantee's problems. The resolution plan should (1) evaluate the use of a "receiver" that would temporarily take over the grantee's administrative and operational duties until the problems were fully corrected, (2) include a workload analysis to determine the level of program responsibilities that the grantee can adequately perform, and (3) establish a timeline with identifiable and reasonable milestones to correct fully the problems with the grantee. Further, the Corporation should seriously consider the use of administrative sanctions it currently has available and propose to the Committee by December 15, 2000 any additional legislative recommendations on strengthening or increasing administrative sanctions.

The Committee remains troubled by the Corporation's inability to provide information to the Congress or American taxpayer on what they are getting in return for the funds provided to the Corporation. Currently, the Corporation is only able to provide anecdotal examples and data on a budgeted basis for its programs. The IG has repeatedly stressed the importance of a cost accounting system that would be able to track and provide information on how the programs are actually performing. The Committee was disappointed to learn that the Corporation has been slow in responding to these concerns. Accordingly, the Committee has included bill language to direct the Corporation to use $2,000,000 out its allocation for program administration for the acquisition of a cost accounting system for the Corporation's financial management system, an integrated grants management system that provides comprehensive financial management information for all Corporation grants and cooperative agreements, and the establishment, operation and maintenance of a central archives serving as the repository for all grant, cooperative agreement, and related documents. The Corporation is directed to ensure that the cost accounting system and the grants management system conform to Federal requirements, including those established for such systems by the Joint Financial Management Improvement Program. The Corporation is also directed to provide a report that describes its progress to date for each of these areas, expenditures for the period by category (e.g. contract or salaries), purpose, and amount, as well as cumulative expenditures to the Committee on a quarterly basis. Further, the Corporation is prohibited from providing any salary increases (with the exception of locality adjustments and other appropriate adjustments provided to all government employees) or bonuses to its employees graded at management levels or above until the Corporation has certified with the IG's concurrence that an adequate cost accounting and grants management system has been acquired, implemented, and conforms to all Federal requirements.

As identified by the IG and independent auditors in last year's financial statements audit, the National Service Trust account continues to maintain a significant surplus of funds to meet its existing liabilities. The Committee remains concerned that the administration may be requesting more funds than is necessary to meet its existing liabilities for the AmeriCorps program; thus, bill language is included to rescind $50,000,000 in surplus funds. The Committee directs the Corporation to maintain an enrolled level of AmeriCorps participation that it can fully support with its existing Trust account level, minus the rescission. The Committee also directs the

Corporation to provide quarterly reports to the Committee on the assets and liabilities of the National Service Trust fund, including information on interest earned and interested received.

The Committee continues its strong support for the Corporation's literacy and mentoring efforts and activities to support homeless families and individuals, especially the homeless veterans of this nation. The Committee directs the Corporation to expand its support in these areas and provides $40,000,000 for the "America Reads" literacy and mentoring program.

The Committee commends and supports the efforts that AmeriCorps has made under its E-Corps program in bringing technology to America's neediest communities. E-Corps volunteers bring technology skills to people who have been left out or left behind in the digital economy by training and mentoring children, teachers, and non-profit and community center staff on how to use computers and information technology. Many E-Corps members are engaged in training students and community members directly. The Committee recommends that, in addition to these activities, E-Corps members focus on training community center staff, teachers and others who will remain as trainers within the community, in order to build stability, continuity, and institutional memory. To boost the E-Corps program, the Committee directs the Corporation to provide $25,000,000 for E-Corps activities.

The Committee has provided $2,500,000 in direct funds to the Parents as Teachers National Center, Inc. (PAT). PAT is an early childhood parent education and family support program that provides parents information on child development. PAT has more than 2,100 sites in 49 States, the District of Columbia, and six other countries. The Committee supports and expects PAT to continue its efforts to empower parents as their children's first teachers and to provide early literacy experiences for children.

The Committee has provided $2,500,000 in direct funds to the Boys and Girls Clubs of America (BGCA) to establish an innovative outreach program designed to meet the special needs of youth in public and Native American housing communities. These funds are expected to be matched by the private sector and will be provided to selected communities for the direct start-up and continuation of BGCA clubs that serve youth in federally assisted public and Indian housing. The Committee expects BGCA to work cooperatively with America's Promise to minimize duplicative activities in addressing the needs of at-risk youth.

The Committee has provided $5,000,000 to Communities In School, Inc. (CIS). CIS is the Nation's largest non-profit organization dedicated to school dropout prevention and has been able to leverage significant private resources with Federal resources. The Committee expects CIS to continue its partnerships with other organizations such as America's Promise in helping our Nation's youth.

The Committee has also provided $7,500,000 in direct funds to the America's Promise—the Alliance for Youth organization. The Committee fully supports this effort and applauds America's Promise for addressing problems with at-risk youth in this nation by using and assisting current national and local efforts. The Committee also supports America's Promise's current activities and plans to work with local businesses, charities, and other public entities to minimize duplicative activities and leverage private resources. America's Promise is also encouraged to continue the development of measurable outcome goals on a national basis and for each of its "Communities of Promise" to ensure adequate oversight and accountability.

Lastly, the Committee has included bill language to correct a technical problem with funds appropriated last year for the Girl Scouts of America, Inc. The Committee continues its strong support for the Girl Scouts' anti-violence efforts initiated in fiscal year 2000.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2000	$3,985,000
Budget estimate, 2001	5,000,000
House allowance	5,000,000
Committee recommendation	5,000,000

PROGRAM DESCRIPTION

The Office of Inspector General within the Corporation for National and Community Service is authorized by the Inspector General Act of 1978, as amended. The goals of the Office are to increase organizational efficiency and effectiveness and to prevent fraud, waste, and abuse. The Office of Inspector General within the Corporation for National and Community Service was transferred to the Corporation from the former ACTION agency when ACTION was abolished and merged into the Corporation in April 1994.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,000,000 for the Office of Inspector General (OIG). This is a $1,015,000 increase over the amount appropriated for this Office in fiscal year 2000 and is equal to the administration's request level.

The additional funds for the OIG should be used for the purpose of its continuing efforts to review and audit the State commissions of the Corporation. The OIG has identified numerous problems with State commissions and the Committee supports fully the OIG's work in this area.

Bill language has also been included to provide the OIG with more flexibility on the expenditure of funds.

U.S. Court of Appeals for Veterans Claims

SALARIES AND EXPENSES

Appropriations, 2000	$11,450,000
Budget estimate, 2001	12,500,000
House allowance	12,500,000
Committee recommendation	12,445,000

PROGRAM DESCRIPTION

The Court of Appeals for Veterans Claims was established by the Veterans' Judicial Review Act. The court has exclusive jurisdiction to review decisions of the Board of Veterans' Appeals. It has the authority to decide all relevant questions of law; interpret constitutional, statutory, and regulatory provisions; and determine the meaning or applicability of the terms of an action by the Department of Veterans Affairs. It is authorized to compel action by the Department unlawfully withheld or unreasonably delayed. It is authorized to hold unlawful and set-aside decisions, findings, conclusions, rules and regulations issued or adopted by the Department of Veterans Affairs or the Board of Veterans' Appeals.

COMMITTEE RECOMMENDATION

The Committee recommends $12,455,000 for the Court of Appeals for Veterans claims, an increase of $1,995,000 above the fiscal year 2000 enacted level. The decrease of $55,000 below the budget request reflects a revised estimate for the pro bono program, for which $895,000 is included.

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

Appropriations, 2000	$12,426,000
Budget estimate, 2001	15,949,000
House allowance	17,949,000
Committee recommendation	15,949,000

PROGRAM DESCRIPTION

Responsibility for the operation of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery is vested in the Secretary of the Army. As of September 30, 1999, Arlington and Soldiers' and Airmen's Home National Cemeteries contained the remains of 277,932 persons and comprised a total of approximately 628 acres. There were 3,604 interments and 2,152 inurnments in fiscal year 1999; 3,700 interments and 2,200 inurnments are estimated for the current fiscal year; and 3,700 interments and 2,300 inurnments are estimated for fiscal year 2001.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $15,949,000 for the Army's cemeterial expenses. This amount is $3,523,000 above the fiscal year 2000 enacted level and the same as the fiscal year 2001 budget request.

ENVIRONMENTAL PROTECTION AGENCY

Appropriations, 2000	$7,562,811,000
Budget estimate, 2001	7,276,599,000
House allowance	[1] 7,143,888,000
Committee recommendation	7,534,190,000

[1] Does not include $60,000,000 for NIEHS or $70,000,000 for ATSDR.

GENERAL DESCRIPTION

The Environmental Protection Agency [EPA] was created through Executive Reorganization Plan No. 3 of 1970 designed to consolidate certain Federal Government environmental activities into a single agency. The plan was submitted by the President to the Congress on July 8, 1970, and the Agency was established as an independent agency in the executive branch on December 2, 1970, by consolidating 15 components from 5 departments and independent agencies.

A description of EPA's pollution control programs by media follows:

Air.—The Clean Air Act Amendments of 1990 authorize a national program of air pollution research, regulation, prevention, and enforcement activities.

Water quality.—The Clean Water Act, as amended in 1977, 1981, and 1987, provides the framework for protection of the Nation's surface waters. The law recognizes that it is the primary responsibility of the States to prevent, reduce, and eliminate water pollution. The States determine the desired uses for their waters, set standards, identify current uses and, where uses are being impaired or threatened, develop plans for the protection or restoration of the designated use. They implement the plans through control programs such as permitting and enforcement, construction of municipal waste water treatment works, and nonpoint source control practices. The CWA also regulates discharge of dredge or fill material into waters of the United States, including wetlands.

Drinking water.—The Safe Drinking Water Act of 1974, as amended in 1996, charges EPA with the responsibility of implementing a program to assure that the Nation's public drinking water supplies are free of contamination that may pose a human health risk, and to protect and prevent the endangerment of ground water resources which serve as drinking water supplies.

Hazardous waste.—The Resource Conservation and Recovery Act of 1976 mandated EPA to develop a regulatory program to protect human health and the environment from improper hazardous waste disposal practices. The RCRA Program manages hazardous wastes from generation through disposal.

EPA's responsibilities and authorities to manage hazardous waste were greatly expanded under the Hazardous and Solid Waste Amendments of 1984. Not only did the regulated universe of wastes and facilities dealing with hazardous waste increase significantly, but past mismanagement practices, in particular prior releases at inactive hazardous and solid waste management units, were to be identified and corrective action taken. The 1984 amendments also authorized a regulatory and implementation program directed to owners and operators of underground storage tanks.

Pesticides.—The objective of the Pesticide Program is to protect the public health and the environment from unreasonable risks while permitting the use of necessary pest control approaches. This objective is pursued by EPA under the Food Quality Protection Act, the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act through three principal means: (1) review of existing and new pesticide products; (2) enforcement of pesticide use rules; and (3) research and development to reinforce the ability to evaluate the risks and benefits of pesticides.

Radiation.—The radiation program's major emphasis is to minimize the exposure of persons to ionizing radiation, whether from naturally occurring sources, from medical or industrial applications, nuclear power sources, or weapons development.

Toxic substances.—The Toxic Substances Control Act establishes a program to stimulate the development of adequate data on the effects of chemical substances on health and the environment, and institute control action for those chemicals which present an unreasonable risk of injury to health or the environment. The act's coverage affects more than 60,000 chemicals currently in commerce, and all new chemicals.

Multimedia.—Multimedia activities are designed to support programs where the problems, tools, and results are cross media and must be integrated to effect results. This integrated program encompasses the Agency's research, enforcement, and abatement activities.

Superfund.—The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 established a national program to protect public health and the environment from the threats posed by inactive hazardous waste sites and uncontrolled spills of hazardous substances. The original statute was amended by the Superfund Amendments and Reauthorization Act of 1986. Under these authorities, EPA manages a hazardous waste site cleanup program including emergency response and long-term remediation.

Leaking underground storage tanks.—The Superfund Amendments and Reauthorization Act of 1986 established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks that contain petroleum or other hazardous substances. EPA implements the LUST response program primarily through cooperative agreements with the States.

COMMITTEE RECOMMENDATION

The Committee recommends a total of $7,534,190,000 for EPA. This is an increase of $257,591,000 above the budget request and a decrease of $28,621,000 below the fiscal year 2000 enacted level.

The Committee believes EPA's state revolving funds represent a critical investment in our nation's water quality. With the significant unmet need in water infrastructure financing, the Committee has made the state revolving fund programs a high priority and has restored the President's reduction of $550,000,000 to the clean water SRF.

The agency is directed to notify the Committee prior to each reprogramming in excess of $500,000 between objectives, when those reprogrammings are for different purposes. The exceptions to this limitation are as follows: (1) for the "Environmental programs and management" account, Committee approval is required only above $1,000,000; and (2) for the "State and tribal assistance grants" account, reprogramming of performance partnership grant funds is exempt from this limitation.

SCIENCE AND TECHNOLOGY

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$642,303,000
Budget estimate, 2001	674,348,000
House allowance	650,000,000
Committee recommendation	670,000,000

PROGRAM DESCRIPTION

EPA's "Science and technology" account provides funding for the scientific knowledge and tools necessary to support decisions on preventing, regulating, and abating environmental pollution and to advance the base of understanding on environmental sciences. These efforts are conducted through contracts, grants, and cooperative agreements with universities, industries, other private commercial firms, nonprofit organizations, State and local government, and Federal agencies, as well as through work performed at EPA's laboratories and various field stations and field offices. Trust Fund resources are transferred to this account directly from the Hazardous Substance Superfund.

COMMITTEE RECOMMENDATION

The Committee recommends $670,000,000 for science and technology, a decrease of $4,348,000 below the budget request and an increase of $27,697,000 above the enacted level. In addition, the Committee recommends the transfer of $38,000,000 from the Superfund account, for a total of $708,000,000 for science and technology.

The Committee has made the following changes to the budget request:

+$1,500,000 for the National Jewish Medical and Research Center for research on the relationship between indoor and outdoor pollution and the development of respiratory diseases.

+$1,900,000 for the National Environmental Respiratory Center at the Lovelace Respiratory Research Institute. The research should be coordinated with EPA's overall particulate matter research program and consistent with the recommendations set forth by the National Academy of Sciences report on PM research.

+$1,000,000 for the Environmental Technology Commercialization Center to increase the transfer of federally-developed environmental technology.

+$1,250,000 for the Center for Air Toxics Metals at the Energy and Environmental Research Center.

+$1,500,000 for the Mickey Leland National Urban Air Toxics Research Center.

+$250,000 for acid rain research at the University of Vermont.

+$1,500,000 for the Gulf Coast Hazardous Substance Research Center.

+$250,000 for the Institute for Environmental and Industrial Science at Southwest Texas State University.

+$750,000 for the Integrated Public/Private Energy and Environmental Consortium [IPEC] to develop cost-effective environmental technology, improved business practices, and technology transfer for the domestic petroleum industry.

+$1,000,000 for the University of South Alabama, Center for Estuarine Research.

+$3,902,000 for the Mine Waste Technology Program and the Heavy Metal Water Program at the National Environmental Waste Technology, Testing, and Evaluation Center.

+$3,625,000 for the Water Environment Research Foundation.

+$3,625,000 for the American Water Works Association Research Foundation (AWWARF).

+$400,000 for Texas Institute for Applied Environmental Research at Tarleton State University.

+$500,000 for the Consortium for Plant Biotechnology Research.

+$750,000 for the Geothermal Heat Pump (GHP) Consortium. GHP conserves energy, reduces harmful emissions into the atmosphere and decreases energy costs. Continued federal support is needed to ensure successful deployment of this new technology.

+$750,000 for the Kalamazoo River Watershed Initiative through Western Michigan University's Environmental Research Institute.

−$800,000 from the EMPACT program.

−$28,000,000 from the climate change technology initiative.

The Committee supports a funding level of $7,000,000 for the Superfund Innovative Technology Evaluation [SITE] program, funded from the transfer from Superfund to this account. The Committee supports efforts through the SITE program to identify cost-effective, innovative technology solutions for contamination problems such as Brownfields, sediments and fuel oxygenates. Of the amount provided for the SITE program, $500,000 is for a demonstration project at the Port of Ridgefield, WA, involving an innovative steam extraction technology. EPA is expected to work with the State and the port to ensure that cleanup of the Ridgefield site continues in an efficient and timely manner beyond the demonstration project under the SITE program.

The Committee also urges EPA through the SITE program to give consideration to funding a demonstration of a prototype ceramic microfiltration technology for the treatment of acid mine drainage.

The Committee supports funding at not less than current levels for the hazardous substance research center program, to be funded by funds transferred from Superfund, and the science and technology appropriation.

NAS study on health benefits associated with air pollution regulations.—There have been many concerns raised regarding the methodology used by EPA in calculating incremental health benefits that have been associated with air pollution regulatory proposals. The magnitude of health benefit estimates is highly dependent upon the assumed concentrations threshold of a particular response to a pollutant health effect. It is important EPA employ the most scientifically defensible methodology in estimating health benefits. The EPA is directed to engage the NAS, within 90 days of this authorization, to conduct a study of this issue and recommend to the agency a common methodology to be followed in all future analyses.

A report of the study shall be forwarded to the Congress within 12 months after the NAS receives the EPA request.

Updated NAS study on ozone.—As authorized by Section 185B of the Clean Air Act Amendments of 1990, the National Academy of Sciences on behalf of EPA in 1991 conducted the study, "Rethinking the Ozone Problem in Urban and Regional Air Pollution." The Act "requires EPA to conduct a study in conjunction with the NAS on the role of ozone precursors in tropospheric ozone formation and control." The issue of VOC versus NO_X control was specifically addressed in the 1991 report and two key conclusions were made. "NO_X reductions can have either a beneficial or detrimental effect on ozone concentrations, depending upon the locations and emissions rates of VOC and NO_X sources . . ." and "Some modeling and field studies show that ozone concentrations can increase in the near field in response to NO_X reductions but decrease in the far field." Since the issuance of the NAS study almost a decade ago, ambient ozone impacts have decreased dramatically. Ambient monitoring of ozone, VOC and NO_X has greatly improved as well. These data along with extensive urban and regional modeling activity have closed many of the knowledge gaps cited in the NAS study. In fact, there have been serious questions raised concerning the potential disbenefits of further NO_X control in terms of achieving and maintaining the current NAAQS for ozone. As a result of this large body of new scientific evidence, EPA is directed to engage the NAS within 90 days of this Act, for an update on the current ozone problem in urban and regional settings with specific emphasis on the role of NO_X control in meeting mandated air quality goals. A report shall be submitted to Congress within eighteen months after the NAS receives the EPA request.

NAS study of carbon monoxide episodes in meteorological and topographical problem areas.—The Committee directs EPA to contract with the National Academy of Sciences for a study of carbon monoxide episodes in meteorological and topographical problem areas, addressing the public health significance and strategies for managing these rare occurrences in national ambient air quality standards non-attainment areas, due mostly to cold-weather inversions. One of the major case studies is to be Fairbanks, AK.

BEN Model.—The Committee understands EPA is considering revisions to the economic model utilized by EPA to identify and calculate the economic benefit of regulatory noncompliance, the so-called "BEN Model." In view of the significant ramifications associated with revisions to the BEN Model, it is imperative that an independent peer review be undertaken. The Committee directs EPA to undertake such a review prior to finalizing revisions to the BEN Model or the formal adoption of its proposed new approach to the recovery of economic benefit.

Bill language relative to the liquidation of obligations is included as an administrative provision.

The Committee has not included proposed bill language relative to the environmental services fund.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

Appropriations, 2000	$1,895,267,000
Budget estimate, 2001	2,099,461,000
House allowance	1,895,000,000
Committee recommendation	2,000,000,000

PROGRAM DESCRIPTION

The Agency's "Environmental programs and management" account includes the development of environmental standards; monitoring and surveillance of pollution conditions; direct Federal pollution control planning; technical assistance to pollution control agencies and organizations; preparation of environmental impact statements; enforcement and compliance assurance; and assistance to Federal agencies in complying with environmental standards and insuring that their activities have minimal environmental impact. It provides personnel compensation, benefits, and travel and other administrative expenses for all agency programs except hazardous substance Superfund, LUST, Science and Technology, Oil Spill Response, and OIG.

COMMITTEE RECOMMENDATION

The Committee recommends $2,000,000,000 for environmental programs and management, an increase of $104,733,000 above the 2000 level and a decrease of $99,461,000 below the budget request.

The Committee has made the following changes to the budget request:

+$8,600,000 for the National Rural Water Association.

+$2,300,000 for the Rural Community Assistance Program.

+$550,000 for the Groundwater Protection Council.

+$1,000,000 for the National Environmental Training Center at West Virginia University.

+$1,550,000 for the Small Flows Clearinghouse. The Committee encourages EPA to support a pilot project through the Small Flows Clearinghouse that would create an Internet site to help small rural communities complete Federal, State and local loan and grant applications.

+$1,250,000 for the national onsite and community wastewater treatment demonstration project through the Small Flows Clearinghouse.

+$2,500,000 for the Southwest Center for Environmental Research and Policy.

+$4,000,000 for the Small Public Water System Technology Centers at Western Kentucky University; the University of New Hampshire; the University of Alaska-Sitka; Pennsylvania State University; the University of Missouri-Columbia; Montana State University; the University of Illinois; and Mississippi State University.

+$500,000 for the final year of Federal funding to assist communities in Hawaii to meet successfully the water quality permitting requirements for rehabilitating native Hawaiian fishponds.

+$5,000,000 under section 104(b) of the Clean Water Act for America's Clean Water Foundation for implementation of onfarm environmental assessments for livestock operations, with the goal of improving surface and ground water quality.

+ $500,000 for the Ohio River Watershed Pollutant Reduction Program, to be cost-shared.
+ $1,000,000 to continue the sediment decontamination technology demonstration in the New York-New Jersey Harbor.
+ $1,500,000 for the National Alternative Fuels Vehicle Training Program.
+ $300,000 for the Coalition for Utah's Future to continue the Envision Utah project including the development of a sustainable plan for future growth and environmental stewardship in the Wasatch Front.
+ $300,000 for the Northeast States for Coordinated Air Use Management.
+ $750,000 for planning, coordination and development of a comprehensive watershed based implementation program for the Santa Fe River.
+ $500,000 for the Brazos-Navasota watershed management project.
+ $500,000 for the Kentucky Center for Wastewater Research to establish training, education and database management for wastewater research to identify the greatest threats to regional watersheds.
+ $250,000 for the Maryland Bureau of Mines for an acid mine drainage remediation project to reduce or eliminate the loss of quality water from surface streams in the Kempton Mine complex.
+ $2,000,000 to the University of Missouri-Rolla for research and development of technologies to mitigate the impacts of livestock operations on the environment.
+ $500,000 for marsh restoration activities at Acowmin Marsh and Little River Marsh near North Hampton and Rye, NH.
+ $200,000 for the Tri-State Water Quality Council for development of voluntary nutrient reduction programs, establishing a basinwide water quality monitoring program, and related activities.
+ $500,000 for the Global Environmental Management Education Center within the College of Natural Resources at the University of Wisconsin-Stevens Point to provide training and outreach education for safeguarding the quality of surface and groundwater resources.
+ $1,000,000 for the Frank Tejeda Center for Excellence in Environmental Operations to continue its efforts to demonstrate new technology for water and wastewater treatment.
+ $1,250,000 for the Chesapeake Bay Small Watershed Grants Program. The Committee expects that the funds provided for the Chesapeake Bay small watersheds program, managed by the Fish and Wildlife Foundation, shall be used for community-based projects including those that design and implement on-the-ground and in-the-water environmental restoration or protection activities to help meet Chesapeake Bay Program goals and objectives.
+ $1,000,000 for the Lake Champlain management plan.

+ $1,000,000 for the Long Island Sound Program Office, for a total of $1,500,000.
+ $500,000 for the Environmentors project.
+ $200,000 for the Northeast Waste Management Officials Association to continue solid waste, hazardous waste, cleanup and pollution prevention programs.
+ $2,000,000 for the Food and Agricultural Policy Research Institute's Missouri watershed initiative project to link economic and environmental data with ambient water quality.
+ $500,000 for the Small Business Pollution Prevention Center at the University of Northern Iowa.
+ $750,000 for the painting and coating compliance enhancement project through the Iowa Waste Reduction Center.
+ $1,890,000 for the Michigan Biotechnology Institute for development and demonstration of environmental cleanup technologies.
+ $200,000 for the Hawaii Department of Agriculture and the University of Hawaii College of Tropical Agriculture and Human Resources to continue projects aimed at improving the acceptability and efficacy of agriculturally-based environmental restoration technologies.
+ $1,000,000 for the Animal Waste Management Consortium through the University of Missouri, acting with Iowa State University, North Carolina State University, Michigan State University, Oklahoma State University, and Purdue University to supplement ongoing research, demonstration, and outreach projects associated with animal waste management.
+ $1,000,000 to complete a cumulative impacts study by the National Academy of Sciences of North Slope oil and gas development.
+ $750,000 for an expansion of EPA's efforts related to the Government purchase and use of environmentally preferable products focused on biobased products with an emphasis on soy-based industrial oils, greases and hydraulic fluid. This includes $200,000 to complete the soy smoke initiative through the University of Missouri-Rolla.
+ $975,000 for the Alabama Department of Environmental Management water and wastewater training programs. These funds are strictly for training purposes.
+ $1,000,000 to continue the National Biosolids Partnership.
+ $250,000 for the Vermont Department of Agriculture to work with the conservation districts along the Connecticut River in Vermont to reduce nonpoint source pollution.
+ $600,000 for the Wetland Development project in Logan, UT.
+ $500,000 for the Economic Development Alliance of Hawaii to accelerate commercialization of biotechnology to reduce pesticide use in tropical and subtropical agricultural production.
+ $100,000 for the Connecticut River Science Consortium to develop an interdisciplinary scientific monitoring and analysis project in the Connecticut River Basin.
+ $1,000,000 to develop and demonstrate new tools for imaging and monitoring the movement of fluids and contaminants in the shallow subsurface using time-lapse geophysical imaging and tomography techniques. This project will involve research-

ers from Boise State University, the Idaho National Engineering and Environmental Laboratory, other Federal labs and industry.

+ $500,000 for Mississippi State University, the University of Mississippi and the University of Georgia to conduct forestry best management practice water quality effectiveness studies in the States of Mississippi and Georgia.
+ $750,000 for the University of Idaho's groundwater assessment project for rural Idaho cities and towns.
+ $500,000 for a study by the City of Fairbanks using geographic information system mapping to assess methods to comply with NPDES requirements.
+ $150,000 to Colchester, VT to study nonpoint source influences on water quality in Mallets Bay on Lake Champlain and to plan for mitigation, with a focus on stormwater management and on-site disposal systems.
+ $750,000 for the Resource and Agricultural Policy Systems Project at Iowa State University.
+ $700,000 to continue the Urban Rivers Awareness Program at the Academy of Natural Sciences in Philadelphia for its environmental science program.
+ $500,000 for the Kenai River Center for continued research on watershed issues and related activities.
+ $750,000 for the New Hampshire Estuaries Project management plan implementation.
+ $100,000 to continue the Design for the Environment for Farmers Program to address the unique environmental concerns of the American Pacific area through the adoption of sustainable agricultural practices.
+ $5,000,000 to the Gas Research Institute for the development of a biorefinery commercialization pilot project which will utilize thermal-depolymerization technology to break down waste streams into usable products.
− $98,000,000 from the climate change technology initiative [CCTI]. GAO found that EPA provided no justification for the requested increase for CCTI.
− $600,000 from the environmental monitoring for public access and community tracking [EMPACT] program. The amount provided is the same as the current level for this program.
− $9,000,000 from the Montreal protocol fund.
− $1,000,000 from environmental education.
− $3,840,000 from the regional geographic program.
− $4,841,000 from the innovative community partnership program.
− $3,395,000 from urban environmental quality and human health.
− $4,000,000 from international environmental monitoring.
− $9,000,000 from the information integration initiative. While the Committee strongly supports efforts to improve the quality, reliability and integration of environmental data and information systems, EPA has not developed a comprehensive plan for the information exchange network or a detailed spending proposal to guide the allocation of resources under this proposed new program. Moreover, EPA has not fully assessed its infor-

mation integration needs nor that of the States. Therefore, the Committee has provided $5,000,000 for continued planning and design of the exchange network.

– $29,000,000 as a general reduction, subject to normal reprogramming guidelines.

The Committee directs that no reductions be taken below the President's request from pesticides registration or reregistration activities, the NPDES permit backlog, RCRA corrective action, High Production Volume Chemical Challenge Program, endocrine disruptor screening program, the National Estuary Program, the Chesapeake Bay Program Office, and the water quality monitoring program along the New Jersey-New York shoreline. The Committee supports no less than fiscal year 2000 funding levels for the Great Lakes National Program Office, compliance assistance activities ($25,000,000), and the regional environmental enforcement associations. Finally, the Committee supports the fiscal year 1999 level for the 104(g) wastewater operator training program.

The Committee supports EPA's New Source Review RACT/BACT/LAER Clearinghouse, a partnership between EPA and states that enables all stakeholders to access the latest information about air pollution control technologies. This activity should be funded at not less than $1,500,000 in fiscal year 2001.

TMDL Rules.—The Committee is very troubled with EPA's TMDL water quality rules addressing impaired waters under section 303(d) of the Clean Water Act. The regulations are inconsistent with the Clean Water Act, inflexible and prescriptive, and have enormous cost implications for the States and the private sector. Moreover, there are serious gaps in data, research, and monitoring to meet the requirements EPA has set forth. Therefore, the Committee is very distressed with the administration's decision to thwart congressional intent in finalizing this flawed rule.

The Committee has provided large increases under the "State and tribal assistance grants" for section 319 nonpoint source grants and section 106 water quality grants to enable the States to continue planning and monitoring activities, and to increase efforts to control nonpoint sources of water pollution. In addition, the Committee expects the following TMDL studies to be initiated promptly.

NAS Study of TMDLs.—The Committee directs EPA to contract expeditiously with the National Academy of Sciences for a review of the quality of science used to develop and implement TMDLs. The study will evaluate the information required to identify sources of pollutant loadings and their respective contributions to water quality impairment; the information required to allocate reductions in pollutant loadings among sources; whether such information is available for use by States; whether such information, if available, is reliable; and if such information is not available or is not reliable, what methodologies should be used to obtain such information. The final report shall include recommendations for improving the methodologies evaluated under the study and shall be submitted to the Congress by June 1, 2001.

TMDLs Cost Assessment.—To obtain better cost information, the Committee directs EPA to conduct a comprehensive assessment of the potential State resources which will be required for the development and implementation of TMDLs and present the results of this study to Congress within 120 days of enactment of this Act. At a minimum, the report should (1) identify any expected increase in State personnel needed to develop and implement 40,000 TMDLs; (2) specify additional data collection activities to make listing decisions; (3) identify the cost of conducting the needed studies to collect high quality data on the current loads from sources (point and nonpoint sources) of a pollutant on 303(d) listed waters slated for TMDL development; and (4) provide an estimate of the annual costs to the private sector due to TMDL implementation and related costs.

TMDL Monitoring Data.—In addition, the Committee directs EPA to prepare an analysis of the monitoring data needed for development and implementation of TMDLs. Such analysis shall address the data gaps identified in the March 2000 GAO report "Water Quality, Key EPA and State Decisions Limited by Inconsistent and Incomplete Data," including gaps in data needed to assess all State water, identify waters that are impaired, identify pollution sources, develop TMDLs and develop plans to implement TMDLs. The analysis shall include an estimate of the cost of collecting the monitoring data. In conducting the analysis, the Administrator shall solicit comments from each State regarding the Agency's analysis and estimate.

TMDL Guidance.—The Committee is very concerned that some EPA Regional offices, including Region IX, issued and implemented TMDL guidance to impose stringent requirements in individual permits prior to the TMDL rule being finalized. Region IX should not be mandating these requirements, and it is unclear whether this Region or any other Region has authority to do so.

Workforce Issues.—The Committee continues to be concerned with EPA's haphazard approach to allocating and justifying staffing levels in its program offices and regions. According to GAO, EPA has no workforce planning strategy to determine the number and types of people needed to carry out strategic goals and objectives, EPA has not assessed changes in its workload resulting from factors such as productivity improvements and delegations of responsibilities to States, and EPA has not made much progress toward its stated goal of developing a process for continually monitoring and assessing its workforce in light of changes in its internal and external environment such as the increased role of State environmental agencies. GAO found that recent workforce planning efforts "have not received the resources and senior management commitment needed to bring them to fruition, and they have fallen short of their objectives." GAO has been directed to undertake a comprehensive assessment of EPA human capital management, and the Committee will be following these efforts closely in order to address these concerns directly in the fiscal year 2002 appropriation.

Financial Management Issues.—The Committee is troubled by the fact that EPA did not receive a "clean" financial audit for fiscal year 1999 by the Inspector General. EPA failed to provide complete, accurate and reliable information by the agreed upon dates to the OIG. Moreover, none of the recommendations made by the IG 1 year ago to improve financial management at EPA have been fully addressed. A key concern is the need to replace EPA's Integrated Financial Management System (IFMS), which is outdated and very costly to operate. The Committee expects EPA will take all necessary steps recommended by the OIG to improve financial management, including developing a plan to replace IFMS in a timely way, which would involve forming an IFMS replacement team to ensure sufficient staff expertise to undertake the replacement of IFMS, completing an options study for IFMS replacement, and developing a budget for this project. The Committee expects to be kept apprised of EPA's efforts in this area.

Grants oversight.—The Committee is troubled that EPA's Inspector General continues to raise serious concerns about EPA's oversight of grants, which amount to more than half of EPA's total budget. This has been a material management control weakness since 1996, when the IG found that EPA grantees too often did not provide the products and services specified in the grant agreements, meet performance goals, or comply with procurement requirements. In the past year, the IG noted continuing concerns about inadequate monitoring of grantees to ensure proper performance, noncompetitive grant awards, and grants being issued when contracts were more appropriate. An IG audit found an EPA headquarters office and EPA regional office awarded grants with identical work plans to the same recipient, paying twice for the same work while EPA did not receive the product it expected. Examples of grantees who did not complete the work promised but received all the funds have also been identified. The Committee directs EPA to report quarterly on its efforts to address these critical management concerns, beginning with the submission of the fiscal year 2001 operating plan.

Compliance Assistance.—The Committee directs that compliance assistance activities within the Office of Enforcement and Compliance Assurance (OECA) be funded at no less than $25,000,000. The Committee is disturbed by EPA's continuing attempts to avoid the intent of Congress in this regard. EPA's delay in fully funding the program in fiscal year 2000 until after Congressional oversight and with only 2 months remaining in the fiscal year is inexcusable, not to mention detrimental to improving compliance by the regulated community. Furthermore, EPA's diversion of compliance assistance resources in the middle of fiscal year 2000 to the civil enforcement office can only be seen as an attempt to avoid Congressionally directed spending levels. Therefore, the Committee directs that no funds spent by the Office of Regulatory Enforcement or the Office of Criminal Enforcement, Forensics, and Training count towards the $25,000,000 compliance assistance floor. If OECA spends funds in those offices on compliance assistance activities, it should consider moving those compliance assistance functions and personnel to the Office of Compliance, as originally intended by the Administrator's enforcement reorganization as approved by Congress. Likewise, the Agency should not attempt to divert compliance assistance funds to other activities such as compliance monitoring. The lack of senior-level enforcement management commitment to funding compliance assistance activities troubles the Committee. Compliance assistance must remain an essential element of EPA regulatory policy.

Small Business Division.—The Committee directs EPA to fund the Small Business Division in the Office of Policy, Economics and Innovation at $3,000,000 and no less than 10 full time equivalents (excluding Senior Environmental Employees). EPA efforts which assist and promote small business compliance with existing and new environmental regulations will only benefit the environment. Recent EPA rulemakings, economic impact analysis and policy initiatives make it clear that EPA must do more to develop and incorporate the needs of small business into its activities. Stakeholder comments gathered by the Agency during its revision of the EPA Small Business Strategy reinforce this point. In allocating these resources to the Division, EPA should include a Division action plan along with its Agency operating plan submission to Congress. The plan should discuss how the Division will use its staff and funds to increase delivery of compliance information and tools to small business, increase development and delivery of information about small business characteristics, impacts and needs to the Agency, and increase the consideration of small business needs and issues within the Agency during EPA's rulemaking, enforcement and policy development activities.

Environmental Data Management.—The Committee is very disappointed in the lack of progress by the Office of Environmental Information in meeting critical commitments and addressing serious concerns about the quality and reliability of EPA data. EPA still does not have a long-term strategy that would address specifically how it will address the myriad of information management issues such as insuring the quality of EPA data and error correction processes, integrating EPA's many information management system and those of the States, how it will work with the States to achieve this, addressing data gaps, and reducing reporting burdens. While EPA has finally begun to address major computer security concerns which were first raised at least 5 years ago, EPA has yet to demonstrate a strong commitment to establishing an effective long-term computer security testing and monitoring program. The Committee has also noted its concerns about EPA's plans for an information integration initiative. While the Committee supports this initiative in concept, very little progress has been made in the last year in developing a detailed plan for how this will work, resource requirements, and the specific role of the States in this effort.

National Environmental Performance Partnership System.—The Committee is disappointed with the lack of progress at EPA in using the National Environmental Performance Partnership System (NEPPS) to change fundamentally EPA's relationship with the States in implementing environmental protection programs. The OIG recently found that the NEPPS program, including the Performance Partnership Grant (PPG) program, has not been well-integrated into EPA programs or accepted by EPA managers. The OIG identified several factors for this, including the lack of leadership, training and guidance; and the lack of goals and performance measures. The OIG stated, "For many EPA regional managers and staff, NEPPS has not focused on environmental results or deferred work that was not a priority. Instead, NEPPS has been added to a long list of traditional work responsibilities. Further, some regional program managers and staff viewed NEPPS as only a paperwork exercise to get a performance partnership agreement in place." The Committee expects EPA to implement expeditiously the OIG recommendations to address these key shortcomings, and report to the Committee within 90 days of enactment of this Act on its progress.

National Air Toxics Assessment (NATA).—The Committee notes that EPA recently released the first phase (emission estimates and ambient concentration data) of its National Air Toxics Assessment (NATA). The Committee is aware of the potential value of this tool. The Committee is also aware of recent concerns by States and other stakeholders regarding errors in NATA's inputs and models. Therefore, the Committee requests that EPA conduct and publish an uncertainty and variability analysis of NATA and its inputs and models; and an analysis of how the uncertainties and variabilities combine to affect the final risk estimates and characterizations. Furthermore, the Committee requests that EPA form a working group with State representatives and other stakeholders to help identify and correct NATA deficiencies and improve future NATA releases. The Committee also requests that EPA submit all components of NATA for full scientific peer-review.

3MRA Risk Assessment Model.—The Committee is concerned that EPA has not peer-reviewed the 3MRA risk assessment model which it plans to use to identify lower-risk wastes than can "exit" the RCRA system. The Committee directs EPA to submit the 3MRA risk model to an independent peer review, such as the National Academy of Sciences, and respond publicly to the findings of the peer review prior to using it to establish regulatory determinations.

Integrated Risk Information System (IRIS).—The Committee understands that EPA is currently completing an assessment requested last year on the quality of the data included in the Agency's Integrated Risk Information System (IRIS) database. Given that the Agency and many State regulatory agencies rely almost exclusively on IRIS values in promulgating regulations, the Committee remains concerned over the potential for rules to rely on outdated scientific information. As a result, the Committee requests that the Agency devote all necessary resources, including continued collaboration with external entities where possible, to meet its goal of issuing 21 new or revised toxicological assessments in fiscal year 2001. In addition, the Committee requests that EPA conduct needs assessments with public input to determine the need for increasing this annual rate of updates to existing IRIS files during 2002–2005 as well as the need to add new IRIS files for chemicals not now included. Furthermore, the Committee also expects the Agency to adhere consistently to its policy to accept and respond to new toxicity information during rulemakings, as articulated in EPA's August 26, 1994 memorandum entitled "Guidance on the Use of Integrated Risk Information System (IRIS) Values," as well as its December 21, 1993 memorandum entitled "Use of IRIS Values in Superfund Risk Assessment."

Tribal Water Quality program.—The Committee continues to value and support the Tribal Coordinated Water Quality program and the work of the Northwest Indian Fisheries Commission, and expects EPA to continue to fund these programs, including the

NWIFC coordination role. The Committee expects EPA to maintain a base funding level amount for each tribe in this program of $110,000 and to provide $160,000 to NWIFC for coordination. To accomplish the overall program, EPA is to provide $700,000 in addition to the existing GAP funding presently received by the tribes and the NWIFC.

New Source Review.—Numerous comments and questions have been raised about the agency's management of the 1980 New Source Review (NSR) rule and related guidance and policies. Given the importance of achieving clean air goals in fair and cost-effective ways, the Committee directs EPA to enter into an agreement with the National Academy of Public Administration, within 90 days of enactment of this Act, to conduct an independent evaluation of the NSR and Prevention of Significant Deterioration (PSD) programs, and to publish a report of its findings and recommendations. The report, which shall be completed within 1 year, shall examine: the evolution of the agency's NSR/PSD regulations, guidance and interpretation of those regulations, and implementation of NSR/PSD programs; the respective roles of the States and EPA in implementing NSR/PSD; the evolution of EPA's policies and strategies on enforcement of NSR/PSD; and the impacts of the current NSR/PSD program administration on industrial competitiveness, capital investment, technological innovation, pollution prevention, and environmental quality. The Academy shall provide recommendations to EPA and the Congress on how to manage better or reform the program. The Committee has provided $500,000 for this study.

Hazardous Waste Initiative.—The Committee is aware that many organizations, including the NAS-sponsored Government-University-Industry Research Roundtable, the National Institutes of Health, and EPA, have recognized that allowing certain flexibility within the academic laboratory research environment can potentially yield superior compliance while reducing regulatory burden. The Committee is also aware of a new collaborative initiative involving environmental health professionals and academic research scientists from 10 major academic research institutions and authorized State regulatory officials from each of the EPA regions to establish consensus best practices for laboratory waste management. The Committee supports this approach and applauds the commitment to minimize the potential for harm to human health and the environment and to promote excellence in environmental stewardship. The Committee encourages EPA to participate in this initiative and to provide the maximum flexibility permissible under the regulatory provisions of RCRA, as appropriate, in support of the initiative. Within 12 months, EPA is to submit a report to the Congress evaluating the consensus best practices developed through the initiative and the need for regulatory changes, if any, to carry out its recommendations. In addition, EPA should consider proposing regulatory changes based on the consensus approach to best practices for academic research laboratory waste management developed under this initiative.

Lead-paint pre-renovation rule.—The Committee is concerned that there remains significant confusion over compliance with EPA's lead-paint pre-renovation rule. Therefore, the Committee urges the agency to extend the compliance assistance phase of enforcement through September 2001, and directs EPA to release additional guidance that will assist the multifamily housing industry with compliance with the rule. The Committee believes that child health is best-protected in well-maintained housing and is concerned that excessive notification requirements will impede routine repairs and maintenance activities in multifamily properties. EPA should continue to work with property owners and the regulated community generally to develop a practical approach to implementing this rule as soon as possible.

Radon in drinking water standard.—The Committee is aware of bipartisan efforts in Congress to introduce legislation which would improve public health protection from the threat of radon. The Committee encourages EPA to work closely with the Congress in crafting this legislation, and postpone final promulgation of a drinking water standard until such legislation can be fully considered.

Compendium of Methods for Characterizing Solid Waste.—The Committee directs EPA to publish Update IVB to SW846 in the Federal Register not later than 30 days after enactment of this Act.

Molten Carbonate Fuel Cell project.—The Committee notes that funds remain available from prior year appropriations for the Molten Carbonate Fuel Cell demonstration project. These funds are to be used in fiscal year 2001 for that purpose; however, EPA shall not award remaining funds until it receives, not later than September 1, 2000, a written plan from the vendor which details the vendor's design plans and costs to complete the pilot project.

Mountain Cloud Water Chemistry and Deposition Program.—The Committee urges EPA to reinstate under the CASTNet program the Mountain Cloud Water Chemistry and Deposition Program to resume long-term cloud chemistry monitoring and research.

Kyoto Protocol.—Bill language has been included, as in the current year, prohibiting EPA from spending funds to implement the Kyoto Protocol. The Committee notes that this restriction on the use of funds shall not apply to the conduct of education activities and seminars by the agency.

The Committee notes that some EPA programs involve research or other activities that are associated with climate change. To the extent that the Committee has funded this work, it has done so based on the program's individual merits of contributing to issues associated with energy efficiency and cost savings, related environmental assessments, and general emission improvements. The bill language is intended to prohibit funds provided in this bill from being used to implement actions solely under the Kyoto Protocol, prior to its ratification.

The Byrd-Hagel resolution which passed in 1997 remains the clearest statement of the will of the Senate with respect to the Kyoto Protocol, and the Committee is committed to ensuring that the administration not implement the Kyoto Protocol without Congressional consent. The Committee recognizes, however, that there are also longstanding programs which have goals and objectives that, if met, could have positive effects on energy use and the environment. The Committee does not intend to preclude these programs from proceeding, provided they have been funded and approved by Congress.

To the extent future funding requests may be submitted which would increase funding for climate change activities prior to Senate consideration of the Kyoto Protocol (whether under the auspices of the Climate Change Technology Initiative or any other initiative), the Administration must continue to explain the components of the programs, their anticipated goals and objectives, the justification for any funding increases, a discussion of how successes will be measured, and a clear definition of how these programs are justified by goals and objectives independent of implementation of the Kyoto Protocol. The conferees expect these items to be included as part of the fiscal year 2002 budget submission for all affected agencies.

Ozone Protection Activities.—The Committee recognizes that voluntary efforts to use non-ozone depleting substances prior to the Clean Air Act mandate provides benefits to stratospheric ozone recovery. The Committee encourages EPA to develop a more comprehensive strategy to promote the benefits of ozone protection. In developing this strategy, EPA should consider increased public awareness, education, and outreach on the importance of ozone protection beyond those activities now employed by EPA. The Significant New Alternative Program (SNAP) must be the basis for all future refrigerant promotion supported by the agency. All new agency programs and promotion must be beneficial to all manufacturers without advantaging any single manufacturer over another. The EPA should also continue encouraging manufacturers to look for ways to employ the most environmentally beneficial refrigerants in their equipment designs.

Hydraulic fracturing.—The Committee understands that the Office of Water plans to undertake a study focused on the hydraulic fracturing of coalbed methane wells shortly. In undertaking such a study, the Committee is concerned that EPA not duplicate any research efforts or studies underway by States or other research bodies, such as the Groundwater Protection Council. In addition, such a study should be conducted by a credible organization which is widely-recognized for scientific and technical research studies to ensure that it is properly designed and executed. Data collected for the study as well as the study process should be transparent, and after completion the study should be subjected to peer review.

The Committee has not included proposed bill language relative to the environmental services fund.

Bill language relative to the liquidation of obligations is included as an administrative provision.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$32,380,000
Budget estimate, 2001	34,094,000
House allowance	34,000,000
Committee recommendation	34,094,000

PROGRAM DESCRIPTION

The Office of Inspector General provides EPA audit and investigative functions to identify and recommend corrective actions of management, program, and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement.

Trust fund resources are transferred to this account directly from the hazardous substance Superfund.

COMMITTEE RECOMMENDATION

The Committee recommends $34,094,000 for the Office of Inspector General, the same as the budget request. In addition, $11,000,000 will be available by transfer from the Superfund account, for a total of $45,094,000. The trust fund resources will be transferred to the inspector general "General fund" account with an expenditure transfer.

BUILDINGS AND FACILITIES

Appropriations, 2000	$62,362,000
Budget estimate, 2001	23,931,000
House allowance	23,931,000
Committee recommendation	23,000,000

PROGRAM DESCRIPTION

The appropriation for buildings and facilities at EPA covers the necessary major repairs and improvements to existing installations which are used by the Agency. This appropriation also covers new construction projects when appropriate.

COMMITTEE RECOMMENDATION

The Committee recommends $23,000,000 for buildings and facilities, a reduction of $931,000 below the budget request.

The reduction of $931,000 below the President's request is a general reduction, subject to normal reprogramming guidelines.

The Committee is concerned that EPA's region II laboratory facility may not be able to support adequately the workload for region II, the environmental response team, and the Office of Research and Development's Urban Watershed Management research program. Therefore, the Committee directs EPA to report within 60 days of enactment of this Act on its plans to ensure that region II laboratory needs will be met, as well as the agency's plans and timeline to replace or improve this facility.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$1,400,000,000
Budget estimate, 2001	1,450,000,000
House allowance	[1] 1,270,000,000
Committee recommendation	1,400,000,000

[1] Does not include $60,000,000 for NIEHS and $70,000,000 for ATSDR.

PROGRAM DESCRIPTION

On October 17, 1986, Congress amended the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [CERCLA] through the Superfund Amendments and Reauthorization Act of 1986 [SARA]. SARA reauthorized and expanded the hazardous substance Superfund to address the problems of uncontrolled hazardous waste sites and spills. Specifically, the legislation mandates that EPA: (1) provide emergency response to hazardous waste spills; (2) take emergency action at hazardous waste sites that pose an imminent hazard to public health or environmentally sensitive ecosystems; (3) engage in long-term planning, remedial design, and construction to clean up hazardous waste sites where no financially viable responsible party can be found; (4) take enforcement actions to require responsible private and Federal parties to clean up hazardous waste sites; and (5) take enforcement actions to recover costs where the fund has been used for cleanup.

COMMITTEE RECOMMENDATION

The Committee recommends $1,400,000,000 for Superfund, a decrease of $50,000,000 below the budget request and the same as the fiscal year 2000 enacted level. The amount provided includes $700,000,000 from general revenues, and the balance from the trust fund.

The amount recommended includes the following:

$910,337,000 for the response program. This includes the President's full Superfund request for brownfields.

$140,000,000 for enforcement.

$38,000,000 for research and development.

$126,000,000 for management and support.

$75,000,000 for the Agency for Toxic Substances and Disease Registry, including up to $6,000,000 for medical monitoring and related activities in Libby, MT; up to $3,000,000 for the Great Lakes fish consumption study; $500,000 for subsistence and dietary studies of contaminants in the environment, subsistence resources and people in Alaska native populations; and up to $1,500,000 to complete the Tom's River cancer cluster. Not more than $1,000,000 should be expended on toxicological profiles.

$60,000,000 for the National Institute of Environmental Health Sciences, including $23,000,000 for worker training grants and $37,000,000 for research.

$28,663,000 for the Department of Justice.

$5,800,000 for the U.S. Coast Guard.

$5,200,000 for other Federal agencies.

$11,000,000 for the inspector general.

The Committee has included bill language delaying the availability of $100,000,000 until September 1, 2001.

The Committee expects to be notified of any non-ATSDR resources to be devoted to Libby, MT medical monitoring and related activities.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$69,760,000
Budget estimate, 2001	72,096,000
House allowance	79,000,000
Committee recommendation	72,096,000

PROGRAM DESCRIPTION

The Superfund Amendments and Reauthorizations Act of 1986 [SARA] established the leaking underground storage tank [LUST] trust fund to conduct corrective actions for releases from leaking underground storage tanks containing petroleum and other hazardous substances. EPA implements the LUST program through State cooperative agreement grants which enable States to conduct corrective actions to protect human health and the environment, and through non-State entities including Indian tribes under section 8001 of RCRA. The trust fund is also used to enforce responsible parties to finance corrective actions and to recover expended funds used to clean up abandoned tanks.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of $72,096,000 for the Leaking Underground Storage Tank Program, an increase of $2,336,000 above the fiscal year 2000 enacted level. The Committee directs that not less than 85 percent of these funds be provided to the States and tribal governments.

In light of widespread contamination of drinking water by the gasoline additive MTBE from leading underground petroleum storage tanks, the Committee urges EPA in undertaking corrective actions and enforcement to give high priority to releases that pose the greatest threat to human health and the environment.

OILSPILL RESPONSE

(INCLUDING TRANSFER OF FUNDS)

Appropriations, 2000	$14,974,000
Budget estimate, 2001	15,712,000
House allowance	15,000,000
Committee recommendation	15,000,000

PROGRAM DESCRIPTION

This appropriation, authorized by the Federal Water Pollution Control Act of 1987 and amended by the Oil Pollution Act of 1990, provides funds for preventing and responding to releases of oil and other petroleum products in navigable waterways. EPA is responsible for: directing all cleanup and removal activities posing a threat to public health and the environment; conducting inspections, including compelling responsible parties to undertake cleanup actions; reviewing containment plans at facilities; reviewing area contingency plans; pursuing cost recovery of fund-financed cleanups; and conducting research of oil cleanup techniques. Funds are provided through the oilspill liability trust fund established by the Oil Pollution Act and managed by the Coast Guard.

COMMITTEE RECOMMENDATION

The Committee recommends $15,000,000 for the oilspill response trust fund, the same as the fiscal year 2000 enacted level prior to the 0.38 percent rescission and a decrease of $712,000 below the budget request.

STATE AND TRIBAL ASSISTANCE GRANTS

Appropriations, 2000	$3,445,765,000
Budget estimate, 2001	2,906,957,000
House allowance	3,176,957,000
Committee recommendation	3,320,000,000

PROGRAM DESCRIPTION

The "State and tribal assistance grants" account funds grants to support the State revolving fund programs; State, tribal, regional, and local environmental programs; and special projects to address critical water and waste water treatment needs.

This account funds the following infrastructure grant programs: State revolving funds; United States-Mexico Border Program; colonias projects; Alaska Native villages; and information integration initiative.

It also contains the following environmental grants, State/tribal program grants, and assistance and capacity building grants: (1) nonpoint source (sec. 319 of the Federal Water Pollution Control Act); (2) water quality cooperative agreements (sec. 104(b)(3) of FWPCA; (3) public water system supervision; (4) air resource assistance to State, local, and tribal governments (secs. 105 and 103 of the Clean Air Act); (5) radon State grants; (6) water pollution control agency resource supplementation (sec. 106 of the FWPCA); (7) wetlands State program development; (8) underground injection control; (9) Pesticides Program implementation; (10) lead grants; (11) hazardous waste financial assistance; (12) pesticides enforcement grants; (13) pollution prevention; (14) toxic substances compliance; (15) Indians general assistance grants; (16) underground storage tanks; and, (17) enforcement and compliance assurance. The funds provided in this account, exclusive of the funds for the SRF and the special water and waste water treatment projects, may be used by the Agency to enter into performance partnerships with States and tribes rather than media-specific categorical program grants, if requested by the States and tribes. The performance partnership/categorical grants are exempt from the congressional reprogramming limitation.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,320,000,000 for State and tribal assistance grants, an increase of $413,043,000 over the budget request and a decrease of $125,765,000 below the fiscal year 2000 enacted level.

The Committee's recommendation includes the following:

$955,000,000 for performance partnership/categorical grants and associated program support. Increases above the fiscal year 2000 enacted level are provided for air State and local grants (+$5,000,000), section 106 water quality grants (+$27,043,000), section 319 nonpoint source grants (+$20,000,000), hazardous waste financial assistance (+$8,000,000), and Indian general assistance program (+$9,957,000).

$820,000,000 for drinking water State revolving funds, the same as the fiscal year 2000 level.

$1,350,000,000 for clean water State revolving funds, an increase of $550,000,000 above the budget request.

$50,000,000 for water and wastewater projects on the United States-Mexico border. The Committee directs that of the funds provided for U.S./Mexico border projects, $3,500,000 shall be for the El Paso-Las Cruces Sustainable Water Project, $1,000,000 shall be for the Del Rio/San Felipe Springs Water Treatment Plant, and $2,000,000 shall be for the Brownsville water supply project. A provision has been included restricting border infrastructure funds to local communities that have a local ordnance or zoning rule regarding development.

$35,000,000 for rural and Alaskan Native villages to address the special water and wastewater treatment needs of thousands of households that lack basic sanitation, including $2,000,000 for training and technical assistance. The State of Alaska will provide a match of 25 percent.

$110,000,000 for special needs infrastructure grants, as follows:

$400,000 for the Newmarket, NH outflow discharge pipe.

$500,000 for the Waimea Wastewater Treatment Plant Interim Expansion in the County of Kauai, HI.

$2,200,000 for water and sewer improvements in Fairbanks, AK through the North Star Borough.

$1,100,000 for water and sewer improvements in Whittier, AK.

$2,200,000 for water and sewer improvements in Sitka, AK.

$2,000,000 for Ogden, UT, water and sewer improvements.

$1,000,000 for Grand County, UT Water and Sewer Service Agency for water infrastructure improvements.

$3,000,000 for the Lockwood, MT wastewater collection system and wastewater treatment and disposal system.

$2,000,000 for the City of Belgrade, MT wastewater collection, treatment and disposal system.

$1,000,000 for the West Valley, MT water and sewer development.

$2,000,000 for the City of Montrose, CO sewage treatment upgrade.

$750,000 for the Pawtucket, RI water treatment plant construction.

$3,000,000 for the DeSoto County, MS comprehensive water and wastewater management project.

$1,000,000 for the City of Pearl, MS wastewater collection rehabilitation.

$1,000,000 for the Corinna, ME sewer upgrade.

$3,000,000 for the City of Bremerton, WA combined sewer overflow correction.

$2,000,000 for the Coulee Dam, WA water infiltration system.

$500,000 for Hoodsport Water System, Mason County, WA drinking water system improvements.

$2,000,000 for the Berlin, NH water works improvement project.

$300,000 for Lebanon, NH combined sewer overflow elimination project.

$1,000,000 for the City of Abilene, TX water treatment facility.

$2,500,000 for the City of Pownal, VT wastewater treatment project.

$1,000,000 for Montgomery, VT wastewater demonstration project.

$1,500,000 for the City of Elizabeth, NJ combined sewer overflow abatement project.

$1,500,000 for the City of Carteret, NJ combined sewer overflow improvements.

$2,500,000 for the Water Infrastructure Finance Authority of Arizona (WIFA) for a loan to Pima County, AZ for wastewater treatment facility improvements. WIFA may lend the funds directly to Pima County or use the funds to support bonds to fund loans to Pima County and other Arizona communities on Arizona's SRF priority list. Pima County and other benefitting communities, if any, shall repay loans to Arizona's SRF.

$3,000,000 for Jefferson County, MS water and sewer infrastructure needs.

$1,000,000 for West Rankin Metropolitan Sewer Authority to develop alternative water and wastewater systems for Rankin County, MS.

$3,000,000 for Logan/Todd, KY Regional Water Commission for water system improvements.

$3,000,000 for the Three Rivers Wet Weather Demonstration project, Allegheny County, PA.

$1,000,000 for the Springettsbury, PA regional sewer project.

$900,000 for the Scottsboro, AL sewer project.

$3,000,000 for the Thomasville, AL water facility project.

$1,000,000 for the Jasper, AL sewer extension project.

$3,000,000 for Grand Forks, ND water treatment plant.

$4,000,000 for the City of Huron, SD to upgrade its water treatment facility.

$3,000,000 for Rapid City, SD, to upgrade its water reclamation facility.

$500,000 for the City of Alcester, SD for a wastewater treatment facility.

$3,250,000 for Clinton, IA to separate storm and sewage systems.

$1,000,000 for the City of York, SC water treatment plant upgrade.

$1,400,000 for Branchville, SC water distribution system.

$2,000,000 for St. Clair Shores, MI combined sewer overflow correction project.

$1,000,000 for Bristol County, MA, wastewater projects.

$1,000,000 for Lawton-Verdi, NV sewer interceptor project.

$1,000,000 for Beloit, WI combined sewer overflow project.

$2,000,000 for Milwaukee, WI, Metropolitan Sewerage District for continued renovations and repairs to the sewer system.

$1,000,000 for the City of Vallejo, CA for a sanitary sewer system and Mare Island.

$1,000,000 for the City of Sacramento, CA combined sewer overflow project.

$1,500,000 for the McCall, ID water plant improvement project.

$2,300,000 for Granite Reeder, ID Water and Sewer District sewer system construction.

$1,000,000 for Burley, ID sewer system improvement project.

$1,000,000 for the Village of Johnsburg, IL wastewater treatment project.

$3,000,000 for the Alaska Department of Environmental Conservation groundwater remediation project near the Kenai River. The match requirement can be met with non-Federally funded pre-award work by the Alaska Department of Environmental Conservation.

$750,000 for Clovis, NM wastewater treatment system repair.

$4,600,000 for biological nutrient removal on the eastern shore of Maryland, including $2,000,000 to the City of Crisfield; $1,800,000 for the City of Fruitland; and $800,000 for the Somerset County Sanitary District for Princess Anne.

$6,000,000 to be divided equally between St. Louis and Kansas City, MO for the Meramec River enhancement and wetlands protection project and the Central Industrial District wastewater project.

$900,000 for Nodaway County, Missouri wastewater needs, including the communities of Pickering and Ravenwood.

$100,000 for Allendale, MO wastewater infrastructure improvements.

$830,000 for Los Lunas, NM wastewater system upgrade.

$990,000 for Corrales, NM centralized water and wastewater treatment system.

$3,180,000 for North and South Valley of the City of Albuquerque and the county of Bernalillo, NM regional water and wastewater system improvements.

$1,200,000 for the West Rehoboth Expansion of the Dewey Beach Sanitary District, DE.

$650,000 for the Cowen Public Service District to provide water and sewer to the proposed Cowen Industrial Park in Webster County, WV.

EPA is to work with the grant recipients on appropriate cost-share arrangements consistent with past practice.

The Committee is once again perplexed with the administration's decision to cut funding by 40 percent for the clean water State revolving fund. EPA has been developing new estimates of the need for water and wastewater infrastructure funding, referred to as the "gap analysis." Key findings from EPA's analysis include: (1) the identification of a "gap" between total annual spending for wastewater infrastructure nationally of $6,000,000,000 to cover the projected capital requirements of the new systems and replace existing systems; (2) the current course will lead to an annual gap of $12,000,000,000; (3) wastewater capital investment is declining but needs to double. Moreover, other sources estimate an annual gap of $23,000,000,000 between current investments in infrastructure and the investments that will be needed annually over the next 20 years to replace aging and failing pipes and meet clean water and safe drinking water mandates. The Committee believes the contribution of the EPA State revolving funds are a critical component to meeting these water infrastructure needs, and expects the fiscal year 2002 budget request to reflect this.

Within the funds provided for 106 water quality grants, $2,000,000 is for grants to coastal States to establish monitoring and notification programs for detecting pathogens in coastal recreation waters, upon enactment of authorizing legislation. Under the 319 program, EPA should give priority to projects that assist communities in restoring degraded water bodies listed as "impaired" under section 303(d) of the Clean Water Act. In addition, the Committee suggests that 5 percent of the section 319 funds be allocated to clean lakes, and that EPA better integrate the Clean Lakes and section 319 programs by incorporating the section 314 guidance into the 319 guidance.

The Committee directs EPA to finalize Section 106 grant agreements and make funds fully available to States under the established allotment formula within 60 days of apportionment for all Section 106 eligible uses using performance partnership agreements or other accepted grant mechanisms at the State option, so long as the State maintains the fiscal year 2000 level of effort.

The Committee has not included bill language requested by the administration authorizing a set-aside of up to 19 percent of State revolving funds for nonpoint source grants. The Committee notes it has recommended $220,000,000 in section 319 grants for nonpoint source controls. In view of the need for wastewater infrastructure financing, the Committee cannot support the administration's proposal.

The Committee has provided no funds for the administration's proposals for a new $85,000,000 clean air partnership grant program or a new $50,000,000 Great Lakes grant program. These programs are not specifically authorized and cannot be supported in view of the many higher priority agency activities.

The Committee has included bill language, which has been carried for several years, clarifying that drinking water health effects research is to be funded out of the science and technology account only.

Bill language has been included, as in fiscal year 2000, which allows States in fiscal year 2001 and hereafter to include as principal, amounts considered to be the cost of administering SRF loans to eligible borrowers.

Bill language is included, as the administration requested, regarding section 319 grants to Indian tribes.

ADMINISTRATIVE PROVISIONS

The Committee has included an administrative provision requested by EPA regarding the liquidation of obligations in multiple-year appropriations accounts. Similar language was included last year.

The Committee has also included a provision as proposed by the administration, authorizing EPA to enter into cooperative agreements with Indian tribal governments to facilitate the administration of environmental programs on Indian reservations.

The Committee has included bill language reinstating the 12-month grace period following designation for new nonattainment areas for the National Ambient Air Quality Standards originally contained in EPA conformity regulations.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

Appropriations, 2000	$5,089,000
Budget estimate, 2001	5,201,000
House allowance	5,150,000
Committee recommendation	5,201,000

PROGRAM DESCRIPTION

The Office of Science and Technology Policy [OSTP] was created by the National Science and Technology Policy, Organization, and Priorities Act of 1976 (Public Law 94–238) and coordinates science and technology policy for the White House. OSTP provides authoritative scientific and technological information, analysis, and advice for the President, for the executive branch, and for Congress; participates in formulation, coordination, and implementation of national and international policies and programs that involve science and technology; maintains and promotes the health and vitality of the U.S. science and technology infrastructure; and coordinates research and development efforts of the Federal Government to maximize the return on the public's investment in science and technology and to ensure Federal resources are used efficiently and appropriately.

OSTP provides support for the National Science and Technology Council [NSTC].

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $5,201,000 for the Office of Science and Technology Policy. This amount is the same as the budget request and $112,000 above the fiscal year 2000 enacted level.

The Committee recognizes the administration's recent efforts to combat the fear and hysteria being generated around the use of biotechnology. The Committee is encouraged by the efforts of OSTP and NSF to educate the public about biotechnology with scientific facts and reason. The administration announced a plan on May 3, 2000 to strengthen science-based regulation and consumer access to information about food and agricultural biotechnology activities. The Committee plans to monitor the implementation of this new plan and encourages OSTP and other Federal agencies such as NSF, the Department of Agriculture, the Food and Drug Administration, and EPA to provide a coherent and unified voice on the scientific facts behind biotechnology. The Committee believes that it is critical that the administration ensures that the fear and hysteria surrounding biotechnology is minimized, especially since the Committee has concerns about recent tactics to misinform the public about other important scientific endeavors such as nanotechnology. Accordingly, the Committee directs OSTP to provide recommendations to the Committee by January 19, 2001 on creating a new office within OSTP to coordinate the Federal Government's activities and efforts in providing the public with scientifically-based information relating to biotechnology.

The issues surrounding indirect costs remain a concern to the Committee. Despite the Federal Government's numerous efforts to lower the indirect cost rates, the average indirect cost rates at universities was about 52.3 percent in fiscal year 1997—only 0.4 percent lower than the average rate in fiscal year 1991—according to the Chronicle of Higher Education. This is confirmed by data available from the Office of Naval Research and Department of Health and Human Services, which found that negotiated rates have remained stable for at least a decade. The 1998 National Science Foundation Authorization Act (Public Law 105–207) required OSTP to prepare a report to the Congress on indirect costs to analyze, among other things, options to reduce or control the rate of growth of the Federal indirect cost reimbursement rates. This report was submitted to the Congress on July 21, 2000. While the OSTP report concluded that Federal policy changes to further reduce indirect costs would be detrimental to the research enterprise at our nation's universities, it recommended that "thoughtful dialogues between the Federal Government and the universities on ways to increase administrative efficiency are the best way to assure a wise and productive government investment." The Committee agrees with the OSTP recommendation and urges OSTP to review how universities can improve the way they administer research grants and activities.

The OSTP report also found that there is currently no systematic method by which the Federal Government collects and maintains data on indirect cost rates and actual costs. The Committee recommends that OSTP include in its fiscal year 2002 budget a cost estimate on creating a central database of Federal research indirect costs and rates.

For the past several years, the Committee has followed with interest the developing progress that has been made relative to research and development using high field nuclear magnetic resonance (NMR) instrumentation and has requested OSTP to assess the future needs in this field. At present, the greatest impediment to federal initiatives in this area is the lack of a commercially-available 900 MHz instrument. There is the view that new commercial instrumentation could be available in the very near future. The Committee strongly encourages the OSTP to convene a working group to monitor developments and plan for interagency initiatives to allow U.S. scientists to take full advantage of these new instruments through novel linkages and collaborations among leading academic institutions and national laboratories.

Lastly, the Committee is concerned about the participation of those agencies involved in the information technology initiative. While the Committee is encouraged by the research community's response to NSF's information technology program, it is concerned about those proposals which NSF has received that could be funded from other agencies such as the National Institutes of Health. The Committee urges OSTP to coordinate the activities of the IT participating agencies to ensure that funding proposals are considered by the appropriate agency.

Council on Environmental Quality and Office of Environmental Quality

Appropriations, 2000	$2,816,000
Budget estimate, 2001	3,020,000
House allowance	2,900,000
Committee recommendation	2,900,000

PROGRAM DESCRIPTION

The Council on Environmental Quality/Office of Environmental Quality was established by the National Environmental Policy Act and the Environmental Quality Improvement Act of 1970. The Council serves as a source of environmental expertise and policy analysis for the White House, Executive Office of the President agencies, and other Federal agencies. CEQ promulgates regulations binding on all Federal agencies to implement the procedural provisions of the National Environmental Policy Act and resolves interagency environmental disputes informally and through issuance of findings and recommendations.

COMMITTEE RECOMMENDATION

The Committee has provided $2,900,000 for the Council on Environmental Quality, an increase of $84,000 above the fiscal year 2000 enacted level.

Bill language relative to the use of detailees has been continued again this year.

Federal Deposit Insurance Corporation

OFFICE OF INSPECTOR GENERAL

(TRANSFER OF FUNDS)

Appropriations, 2000	33,666,000
Budget estimate, 2001	33,660,000
House allowance	33,661,000
Committee recommendation	33,660,000

PROGRAM DESCRIPTION

Prior to 1998, the FDIC inspector general's budgets have been approved by the FDIC's Board of Directors from deposit insurance funds as part of FDIC's annual operating budget that is proposed by the FDIC Chairman. A separate appropriation more effectively ensures the independence of the OIG.

COMMITTEE RECOMMENDATION

The Committee recommends $33,660,000 for the FDIC inspector general, which are to be derived by transfer from the bank insurance fund, the savings association insurance fund, and the FSLIC resolution fund.

Federal Emergency Management Agency

Appropriations, 2000	$3,338,421,000
Budget estimate, 2001	3,580,477,000
House allowance	876,730,000
Committee recommendation	3,515,977,000

GENERAL DESCRIPTION

FEMA is responsible for coordinating Federal efforts to reduce the loss of life and property through a comprehensive risk-based, all hazards emergency management program of mitigation, preparedness, response, and recovery.

COMMITTEE RECOMMENDATION

The Committee recommends $3,515,977,000 for the Federal Emergency Management Agency. The amount provided includes $2,909,220,000 in disaster relief expenditures (of which $2,609,220,000 is contingency funding) and $906,757,000 for other programs.

DISASTER RELIEF

Appropriations, 2000	[1] $2,768,009,000
Budget estimate, 2001	[2] 2,909,220,000
House allowance	300,000,000
Committee recommendation	[2] 2,909,220,000

[1] Includes $2,480,425,000 in contingency funds.
[2] Includes $2,609,220,000 in contingency funds.

PROGRAM DESCRIPTION

Through the Disaster Relief Fund (DRF), FEMA provides a significant portion of the total Federal response to victims in Presidentially declared major disasters and emergencies. Major disasters are declared when a State requests Federal assistance and has proven that a given disaster is beyond the State's capacity to respond. Under the DRF, FEMA provides three main types of assistance: individual and family assistance; public assistance, which includes the repair and reconstruction of State, local and non-profit infrastructure; and hazard mitigation.

COMMITTEE RECOMMENDATION

The Committee recommends the President's request of $300,000,000 for disaster relief, and an additional $2,609,220,000 in disaster relief contingency funds.

The Committee has included bill language making available up to $15,000,000 for map modernization activities in areas which receive Presidential disaster declarations. The Committee believes it is critical that accurate maps are developed following disasters to ensure reconstruction activities are carried out in accordance with appropriate codes and standards. These funds are limited strictly to mapping needs associated with post-disaster reconstruction activities only.

The Committee has not included the administration's proposal for up to $50,000,000 for buyouts of repetitive loss properties in areas which receive Presidential disaster declarations as this issue was addressed in the fiscal year 2000 emergency supplemental appropriation. The Committee is very disappointed in FEMA's implementation of the buyout program. Despite clear Congressional directives to engage stakeholders in a serious dialogue on the establishment of a program, coordinate with other relevant agencies, and issue timely regulations, the agency has failed to do so. FEMA has not established clear guidelines and parameters, incentives for the purchase of—and disincentives not to purchase—flood insurance, consistent procedures for estimating pre-flood fair market value, and procedures to ensure an equitable distribution of funds to the most appropriate buyout candidates. Rather than establishing a national program, FEMA has relied on the States to develop priorities and procedures, resulting in a haphazard, inconsistent, and inequitable approach. Almost 1 year after Hurricane Floyd struck the east coast, there continues to be confusion amongst States and flood victims as to what the buyout program is intended to accomplish. The Committee directs in the strongest manner possible that FEMA rectify these shortcomings immediately.

Under section 311 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, an applicant must agree to obtain and maintain insurance as a condition of receiving a public assistance grant. The Committee continues to support FEMA's efforts to achieve a nationally consistent level of responsibility among public and certain private nonprofit entities for natural disaster risks by enhancing building insurance coverage requirements as a criterion for eligibility for public assistance. Last spring FEMA issued an advanced notice of proposed rulemaking and expects to finalize a rule prior to the end of the calendar year. The Committee urges FEMA to act expeditiously on this important effort.

The Committee urges FEMA to work with the Quileute Tribe in Washington State to develop necessary flood mapping for the Bogachiel and Quillayute River.

The Committee supports FEMA's efforts to streamline disaster field operations, including developing three levels of operational responses to disasters; utilizing standardized staffing templates for large, medium and small disasters; minimizing and/or eliminating disaster field offices; and State management of small disasters. The Committee expects FEMA to keep it informed of its streamlining efforts, with a report within 90 days of enactment of this Act.

PRE-DISASTER MITIGATION FUND

Appropriations, 2000	....
Budget estimate, 2001	$30,000,000
House allowance	....
Committee recommendation	....

PROGRAM DESCRIPTION

Under this initiative, FEMA provides funds for community-identified mitigation projects that reduce the exposure to disaster losses. These funds are expected to leverage private sector resources.

COMMITTEE DESCRIPTION

The Committee recommends funds for this activity under the "Emergency management planning and assistance" account, in lieu of a separate account as proposed by the administration.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

(LIMITATION ON DIRECT LOANS)

STATE SHARE LOAN

	Program account	Administrative expenses
Appropriations, 2000	$1,295,000	$420,000
Budget estimate, 2001	1,678,000	427,000
House allowance	1,295,000	420,000
Committee recommendation	1,678,000	427,000

PROGRAM DESCRIPTION

Disaster assistance loans authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act 42 U.S.C. 5121 et seq. are loans to States for the non-Federal portion of cost sharing funds and community disaster loans to local governments incurring substantial loss of tax and other revenues as a result of a major disaster. The funds requested for this program include direct loans and a subsidy based on criteria including loan amount and interest charged.

COMMITTEE RECOMMENDATION

For the State Share Loan Program, the Committee has provided $25,000,000 in loan authority and $427,000 in administrative expenses. For the cost of subsidizing the appropriation, the bill includes $1,678,000.

SALARIES AND EXPENSES

Appropriations, 2000	$179,950,000
Budget estimate, 2001	221,024,000
House allowance	190,000,000
Committee recommendation	215,000,000

PROGRAM DESCRIPTION

This account provides the necessary resources to administer the Agency's various programs at headquarters and in the regions; and the general management and administration of the Agency in legal, congressional, government, and media affairs, and financial and personnel management, as well as the management of the Agency's national security program.

COMMITTEE RECOMMENDATION

The Committee recommends $215,000,000 for FEMA salaries and expenses. This is a decrease of $6,024,000 below the request and an increase of $35,000,000 above the fiscal year 2000 enacted level. This is a general reduction subject to normal reprogramming requirements. The amount recommended is sufficient to move forward with the headquarters building project while potentially needing to delay some procurements until fiscal year 2002. In addition, the amount provided allows for modest enhancements in terrorism-related programs as requested by the administration.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2000	$7,965,000
Budget estimate, 2001	8,476,000
House allowance	8,015,000
Committee recommendation	10,000,000

PROGRAM DESCRIPTION

This appropriation provides agency-wide audit and investigative functions to identify and correct management and administrative deficiencies, which create conditions for existing or potential instances of fraud, waste, and mismanagement. The audit function provides internal audit, contract audit, and inspection services. Contract audits provide professional advice to agency contracting officials on accounting and financial matters relative to the negotiation, award, administration, repricing, and settlement of contracts. Internal audits review and evaluate all facets of agency operations.

COMMITTEE RECOMMENDATION

The Committee recommends $10,000,000 for the Office of the Inspector General, an increase of $2,035,000 above the fiscal year 2000 enacted level.

Bill language has been included which authorizes the FEMA Inspector General to serve also as the IG for the Chemical Safety and Hazard Investigation Board. Additional funds are recommended to enable the OIG to carry out these new responsibilities. It is estimated that up to 8 additional permanent full-time employees would be necessary to fulfill this requirement. The Committee does not intend that this new responsibility will diminish in any way the OIG's FEMA oversight responsibilities.

To ensure the independence of the OIG, additional funds above the President's request are also recommended to enable the OIG to support its own administrative functions rather than relying on FEMA for support services such as budget and accounting, procurement, and personnel.

The Committee expects the OIG to prepare annual audited financial statements for the new Office of Cerro Grande Fire Claims.

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

Appropriations, 2000	$267,000,000
Budget estimate, 2001	269,652,000
House allowance	267,000,000
Committee recommendation	269,652,000

PROGRAM DESCRIPTION

The emergency management planning and assistance appropriation provides resources for the following activities: response and recovery; preparedness; training and exercises; information technology services; fire prevention and training; operations support; policy and regional operations; mitigation programs; and executive direction.

COMMITTEE RECOMMENDATION

The Committee recommends the budget estimate of $269,652,000 for emergency management planning and assistance. This is an increase of $2,652,000 above the fiscal year 2000 level.

The Committee has included funds for the predisaster mitigation program in this account, rather than in a separate account as proposed by the administration. The Committee has recommended the fiscal year 2000 level of $25,000,000 for this program.

The Committee is concerned about recent findings of the Inspector General regarding Project Impact. In particular, the IG found that reported partner contributions are not accurate and communities are not spending their Federal grant monies timely. The Committee directs FEMA to submit a report within 90 days of enactment of this Act describing its plans to implement the recommendations of the IG.

The Committee has not included the administration's proposal for $25,000,000 for a new grant program for firefighters. There has not been sufficient justification for this new program, particularly in view of the extraordinary budget constraints imposed by the subcommittee's allocation. Funding for a new local grant program would be possible only by imposing cuts in other critical areas, such as other U.S. Fire Administration programs, anti-terrorism, disaster training or exercises. The Committee cannot support such cuts.

The Committee supports FEMA's budget request of $3,825,000 to prepare urban search and rescue task forces for incidents involving weapons of mass destruction.

The Committee urges FEMA to work with the Engineering and Geology Departments at the University of Mississippi and University of Missouri-Rolla on the development of a comprehensive earthquake preparedness plan and safe, cost-effective hazard mitigation measures associated with the New Madrid Seismic Zone in Mid-America.

The Committee urges the National Fire Academy to work with West Texas A&M University to establish an on-line fire management administration program. This program would enable graduates to interact effectively with law enforcement and public works personnel, city councils and mayors, and county government personnel, to coordinate and administer better their fire department's activities.

The Committee urges FEMA to continue the Chemical Health and Environmental Management in Schools (CHEMIS) program. This program provides valuable training to schools, health and safety officials, and regulatory agencies on the proper method of storing, handling, and disposing of dangerous chemicals. The Pan-Educational Institute (PEI) has been successful in providing this unique training to 24 States.

The Committee has included full funding for the dam safety program.

RADIOLOGICAL EMERGENCY PREPAREDNESS FUND

The Radiological Emergency Preparedness [REP] Program assists State and local governments in the development of offsite radiological emergency preparedness plans within the emergency planning zones of commercial nuclear power facilities licensed by the Nuclear Regulatory Commission [NRC].

The fund is financed from fees assessed and collected from the NRC licensees to recover the amounts anticipated by FEMA to be obliated in the next fiscal year for expenses related to REP program activities. Estimated collections for fiscal year 2001 are $14,261,000.

EMERGENCY FOOD AND SHELTER

Appropriations, 2000	$110,000,000
Budget estimate, 2001	140,000,000
House allowance	110,000,000
Committee recommendation	110,000,000

PROGRAM DESCRIPTION

The Emergency Food and Shelter Program originated as a onetime emergency appropriation to combat the effects of high unemployment in the emergency jobs bill (Public Law 98–8) which was enacted in March 1983. It was authorized under title III of the Stewart B. McKinney Homeless Assistance Act of 1987, Public Law 100–177.

The program has been administered by a national board and the majority of the funding has been spent for providing temporary food and shelter for the homeless, participating organizations being restricted by legislation from spending more than 3.5 percent of the funding received for administrative costs.

COMMITTEE RECOMMENDATION

The Committee recommends $110,000,000 for the Emergency Food and Shelter Program, the same as the fiscal year 2000 level and a reduction of $30,000,000 below the budget request.

NATIONAL FLOOD INSURANCE FUND

(TRANSFERS OF FUNDS)

PROGRAM DESCRIPTION

The National Flood Insurance Act of 1968, as amended, authorizes the Federal Government to provide flood insurance on a national basis. Flood insurance may be sold or continued in force only in communities which enact and enforce appropriate flood plain management measures. Communities must participate in the program within 1 year of the time they are identified as flood-prone in order to be eligible for flood insurance and some forms of Federal financial assistance for acquisition or construction purposes. In 2000, the budget assumes collection of all the administrative and program costs associated with flood insurance activities from policyholders.

Under the Emergency Program, structures in identified floodprone areas are eligible for limited amounts of coverage at subsidized insurance rates. Under the regular program, studies must be made of different flood risks in flood prone areas to establish actuarial premium rates. These rates are charged for insurance on new construction. Coverage is available on virtually all types of buildings and their contents in amounts up to $350,000 for residential and $1,000,000 for other types.

COMMITTEE RECOMMENDATION

The Committee has included bill language, providing up to $25,736,000 for administrative costs from the Flood Insurance Program for salaries and expenses. The Committee has also included bill language providing up to $77,307,000 for flood mitigation activities including up to $20,000,000 for expenses under section 1366 of the National Flood Insurance Act.

The Committee has included requested bill language which extends the authorization through fiscal year 2001 for borrowing from the Treasury up to $1,500,000,000, and for flood mapping studies.

The Committee supports the recommendations contained in the recent report by the Heinz Center "Evaluation of Erosion Risks" and directs FEMA to put together a plan to develop erosion hazard maps that display the location and extent of coastal areas subject to erosion, including a cost estimate and timeframe.

The Committee directs the GAO to undertake a comprehensive review of the National Flood Insurance Program, including implementation of the National Flood Insurance Reform Act of 1994, assessing lender compliance, examining participation rates, and make recommendations to improve participation and the program generally. This review is to complement, not duplicate a recent review by the FEMA OIG of compliance with homeowner flood insurance purchase requirements.

The Committee notes that on March 9, 2000, the U.S. Army Corps of Engineers issued changes to the nationwide permits (NWPs) under the wetlands permitting program under section 404 of the Clean Water Act. The Corps' action will restrict access to streamlined permitting of minimal impact projects under the NWPs in 100-year floodplains. The new restrictions are predicated on the use of flood insurance rate maps issued by FEMA. However, FEMA acknowledges its maps are outdated and inaccurate. According to FEMA, flood data updates are needed for 17,500 panels of the approximately 100,000 panel inventory; an additional 16,500 panels require map maintenance to update non-engineering reference features, such as roads and corporate limits; and the manual cartographic methods used to prepare most of the maps limit the utility of the maps for users and FEMA's ability to distribute cost effectively and revise the maps, requiring converting to digital format 74,500 map panels. These map modernization requirements will cost an estimated $750,000,000. A funding source for the comprehensive map modernization effort has not been identified. Clearly it will take a significant commitment of time and resources to modernize fully FEMA's map inventory. In the meantime, effective implementation of the Corps' rule will be compromised at best.

The Committee directs FEMA to report within 120 days of enactment of this Act on (1) the availability to the public of flood insurance rate maps depicting the 100-year floodplains that differentiate clearly between the "floodway" and the "flood fringe;" (2) the availability to the public of flood insurance rate maps that depict, on a statewide basis, 100-year floodplains; (3) where such maps are not available, a timetable for when such maps will be made available; (4) an analysis of the accuracy of the flood insurance rate maps that are currently available; and (5) how FEMA will implement its new responsibilities under General Condition 26 of the nationwide permit program, including the organization and process for implementing such responsibilities, and the cost, including the number of personnel and work-hours involved, of implementing such responsibilities.

Finally, the Committee notes that FEMA is not and was never intended to be a regulatory agency, and therefore the Committee does not expect FEMA to assume a formal role in the NWP permitting process or spend any appropriated funds to approve, disapprove or condition applications for "individual" or "standard" permits under Section 404 of the Clean Water Act.

NATIONAL FLOOD MITIGATION FUND

PROGRAM DESCRIPTION

Through fee-generated funds transferred from the National Flood Insurance Fund, this fund would support activities to eliminate pre-existing, at-risk structures that are repetitively flooded, and provides flood mitigation assistance planning support to States.

COMMITTEE RECOMMENDATION

Through fee-generated funds totaling $20,000,000 in fiscal year 2001 transferred from the National Flood Insurance Fund, the National Flood Mitigation Fund will provide a mechanism to reduce the financial burden of pre-existing, at-risk structures that are repetitively flooded by removing or elevating these structures out of flood hazard areas, as well as provide flood mitigation assistance planning support to States and communities.

GENERAL SERVICES ADMINISTRATION

FEDERAL CONSUMER INFORMATION CENTER

Appropriations, 2000	$2,622,000
Budget estimate, 2001	6,822,000
House allowance	7,122,000
Committee recommendation	7,122,000

PROGRAM DESCRIPTION

The Consumer Information Center [CIC] was established within the General Services Administration [GSA] by Executive Order on October 26, 1970, to help Federal departments and agencies promote and distribute consumer information collected as a byproduct of the Government's program activities.

On January 28, 2000, the Consumer Information Center assumed responsibility for the operations of the Federal Information Center [FIC] program with the resulting organization being officially named the Federal Consumer Information Center [FCIC]. The FIC program was established within the General Services Administration in 1966, and was formalized by Public Law 95–491 in 1980. The program's purpose is to provide the public with direct information about all aspects of Federal programs, regulations, and services. To accomplish this mission, the FIC uses contractual services to respond to public inquiries via a nationwide toll-free telephone call center. The FIC was previously funded by the Treasury and General Government Appropriations Act.

The new Federal Consumer Information Center combines the nationwide toll-free telephone assistance program and the database of the FIC with the CIC website and publications distribution programs. The FCIC is a one-stop source for citizens to get information about government programs and everyday consumer issues.

Public Law 98–63, enacted July 30, 1983, established a revolving fund for the CIC. Under this fund, FCIC activities are financed from the following: annual appropriations from the general funds of the Treasury, reimbursements from agencies for distribution of publications, user fees collected from the public, and any other income incident to FCIC activities. All are available as authorized in appropriation acts without regard to fiscal year limitations.

COMMITTEE RECOMMENDATION

The Committee recommends $7,122,000 for the Federal Consumer Information Center. This reflects an increase of $300,000 from the fiscal year 2001 budget request and is necessary to bring FCIC's annual income more in balance with its administrative expenses and to shore up the FCIC Fund balance. Despite FCIC's actions to reduce costs, fixed expenses have continued to increase while the appropriation has remained stable and other funding sources, such as users fees, have declined due to the reduction in the public's demand for printed publications. This has resulted in a projected Fund balance of $291,000 at the end of fiscal year 2001, an amount insufficient to offset administrative expenses in future years.

The increase of $4,500,000 over the current level mainly is associated with the Agency's new responsibility for the Federal Information Center.

The appropriation will be augmented by reimbursements from Federal agencies for distribution of consumer publications, user fees from the public, and other income. FCIC's anticipated obligations for fiscal year 2001 will total approximately $10,927,000.

In fiscal year 2001, the FCIC program expects to respond to 2,700,000 phone calls, distribute approximately 5,600,000 publications, and receive 13.5 million web accesses. This represents delivery of a total of 21.8 million information products to the public.

The Committee strongly supports GSA's decision to allot to the position of Director, Federal Consumer Information Center, one Senior Executive Service slot in view of the level of responsibility of this important agency.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Appropriations, 2000	$13,600,819,000
Budget estimate, 2001	14,035,300,000
House allowance	13,658,600,000
Committee recommendation	13,844,000,000

GENERAL DESCRIPTION

The National Aeronautics and Space Administration (NASA) was established by the National Aeronautics and Space Act of 1958 to conduct space and aeronautical research, development, and flight activities for peaceful purposes designed to maintain U.S. preeminence in aeronautics and space. These activities are designed to continue the Nation's premier program of space exploration and to invest in the development of new technologies to improve the competitive position of the United States. The NASA program provides for a vigorous national program ensuring leadership in world aviation and as the preeminent spacefaring nation.

COMMITTEE RECOMMENDATION

The Committee recommends $13,844,000,000 for the National Aeronautics and Space Administration for fiscal year 2001, an increase of $243,181,000 above the fiscal year 2000 enacted level.

The Committee strongly supports NASA's mission of promoting civilian space flight, exploration, scientific advancement, and the development of next-generation technologies. The current centerpiece of NASA's mission is the construction of the International Space Station that when complete in 2005–2006 will represent the most sophisticated long-duration habitable microgravity research laboratory in space. This research facility will significantly enhance human understanding of the challenges facing humans in exploring the universe and will serve as a stepping stone to the future exploration of space. It also will provide a unique science platform for space-based research in cell and developmental biology, plant biology, human physiology and all branches of physics. The construction of this facility has continued with the successful integration of the long delayed Russian Zvezda service module that will serve as the initial crew habitation quarters early in fiscal year 2001.

Nevertheless, the Committee remains very concerned by cost overruns and unrealistic budgeting by NASA, especially those associated with the development and construction of the International Space Station. This concern was highlighted most significantly by the independent cost assessment and validation [CAV] report issued in 1998 by a review team headed by Jay Chabrow. The CAV report estimated that the final cost of the space station will be some $24,700,000,000, instead of the NASA estimate of $17,400,000,000 and will take up to 38 months longer to build than previous NASA estimates. In addition, many of these higher costs were unfairly borne through budget reductions in other NASA programs and activities, most particularly programs and activities designed to increase our understanding of the space and earth sciences. In addition, since that report, delays and cost overruns continue to be a significant problem that NASA has not addressed adequately.

The Committee continues to believe that NASA must articulate a comprehensive agenda and strategy through a strategic plan for each of NASA's primary centers that links staffing, funding resources and mission activities in a manner that will ensure each primary center will be vested with specific responsibilities and activities. Within each plan, NASA should identify where a center has or is expected to develop the same or similar expertise and capacity as another center, including the justification for this need. The plan should also include a specific 10-year profile of flight missions, identifying the time frames for core missions and core mission elements. This profile should identify the primary NASA center responsible for each flight's mission management. The profile also should articulate clearly the criteria that is used and/or will be used to permit missions to be built intramurally, as well as the strategy for using industry and leading academic laboratories for mission development and execution. These plans should be updated annually.

As part of the Committee's efforts to understand NASA's long-term budgeting, the Committee directs NASA by April 15, 2001, to identify the varying cost structures among the NASA space centers. The Committee is aware that NASA's space centers have different cost structures. Full-time equivalent costs and the built-in overhead costs seem to vary from center to center. As NASA moves to full-cost accounting, the Committee needs to have a better understanding of NASA's cost structures among the space centers. It also is expected that the costs of personnel and equipment among the centers reflect a comparable cost to NASA. The Committee expects explicit information on full-time equivalent and overhead costs (including how overhead costs are calculated) at all of the space centers by each mission, program, and activity. As of now, NASA has not provided adequate information on these matters.

The Committee also seeks a clearer picture about NASA's budget in the outyears. The Committee directs that NASA include the outyear budget impacts on all reprogramming requests and include the outyear budget impact of all missions in the annual operating plan. The operating plan and all resubmissions also should include an accounting of all program/mission reserves. The Committee also directs NASA to maintain its current account structure.

The Committee also expects NASA to continue to refine its implementation of the Government Performance and Reports Act [GPRA]. NASA needs to tie its performance goals and the benchmarks to its annual budget submission.

The Committee remains sensitive to continuing risks regarding the illegal transfer and theft of sensitive technologies that can be used in the development of weapons by governments, entities and persons who may be hostile to the United States. The Committee commends both NASA and the NASA Inspector General (IG) for their efforts to protect sensitive NASA-related technologies. Nevertheless, this will remain an area of great sensitivity and concern as the development of technological advances likely will continue to accelerate. The Committee directs NASA and the NASA IG to report annually on these issues, including an assessment of risk.

HUMAN SPACE FLIGHT

Appropriations, 2000	$5,487,900,000
Budget estimate, 2001	5,499,900,000
House allowance	5,472,000,000
Committee recommendation	5,400,000,000

GENERAL DESCRIPTION

NASA's "Human Space Flight" account provides funding for human space flight activities, including the development and assembly of the International Space Station and the operation of the Space Shuttle. It also includes support of activities with Russia, upgrades to the performance and safety of the Space Shuttle, and other activities in support of the International Space Station and Space Shuttle.

COMMITTEE RECOMMENDATION

The Committee has provided $5,400,000,000 for the Human Space Flight account. This amount is $99,900,000 less than the President's request for these activities in fiscal year 2001 and $72,000,000 less than the fiscal year 2000 level.

The Committee continues its strong support of the International Space Station as a permanent space laboratory for the research of space and earth science and for unique investigations for humans living for long durations in a micro-gravity environment. The station will provide unparalled scientific research opportunities as well as permanent crew habitability by international teams in an advanced research facility located in the near zero-gravity environment of space. Nevertheless, a reduction of funding is appropriate because of the program's history of delays and overruns that mean many activities and associated costs will be pushed into subsequent fiscal years.

The Committee also supports the international character of the Space Station as a symbol and tool for international cooperation and partnership. Despite this support, the Committee continues to have substantial concerns regarding the ability of Russia to meet its financial commitment and partnership obligations to the Space Station, but is sensitive to the difficult issues that face Russia as it attempts to make the transition from communism to a more democratic and commercial society.

The Committee is also troubled over NASA's failure to provide adequate information on the operational costs of the International Space Station and believes that NASA must expand the development of related research efforts, activities and missions to broaden commercial investment and partnerships throughout the country through open competitive procedures. The Committee directs NASA to develop no later than April 15, 2001 a working plan that establishes a 10-year plan for all research efforts, activities and missions related to the ISS, including operational needs. This plan needs to be a public document in which interested parties are provided an opportunity to comment and participate in its development of the plan and the use of the International Space Station. In addition, in conjunction with the primary NASA centers, NASA needs to compete the research efforts, missions and activities related to the International Space Station based on objective criteria and requirements in the Federal Register. These requirements include the development of and investment in research facilities and major research equipment, including medical facilities and equipment.

In addition, the International Space Station program should be national in scope as it is international in scope. There should be a university-based center of excellence approach for universities throughout the country that links the various science disciplines that are the subject of research on the ISS. The Committee directs NASA to develop a blueprint plan that identifies lead universities as well as complimentary universities that will coordinate with NASA for the individual science disciplines that will be the focus of research after assembly is complete. In addition, universities should be encouraged to coordinate with public and private research facilities. The Committee encourages NASA to look at the Hubble Space Telescope (HST) as a model for the development of a university-based consortium to manage the ISS science research.

The Committee also recognizes the value of software configuration management for the International Space Station and encourages NASA to continue evaluating its role in the ISS program.

Nine space shuttle flights have been planned for fiscal year 2001, including seven flights for the assembly and servicing of the International Space Station, one for the service of the Hubble space telescope (Hubble), and a dedicated microgravity research flight. The Committee remains concerned that NASA has focused primarily on shuttle flights targeted to the assembly of the ISS. The Committee also expects NASA to schedule an additional annual shuttle flight for microgravity research as important in order to maintain the continuity and quality of microgravity research, and directs NASA to report to the Committee on a schedule for these flights by February 15, 2001.

The Committee supports the full budget request for shuttle upgrades, and remains supportive of all safety needs associated with the space shuttle fleet in response to workforce staffing needs and obsolescence concerns raised in the Annual Report for 1999 of the Aerospace Safety Advisory Panel. This report echoes many of the concerns highlighted by the National Research Council's report, Upgrading the Space Shuttle (1999) and the report of the Space Shuttle Independent Assessment Team (March 7, 2000). It is critical that the shuttle fleet be maintained in peak condition, especially as shuttle crews work under extremely stressful conditions that are a natural corollary to the construction and assembly of the International Space Station. The commitment of adequate resources has become more important since the space shuttle fleet will remain the primary vehicle for human space flight until a decision is made on a replacement vehicle such as a reusable launch vehicle.

The Committee encourages NASA to continue to evaluate Lithium-Ion batteries as a power source for space tools used aboard the Space Shuttle and the International Space Station.

SCIENCE, AERONAUTICS, AND TECHNOLOGY

Appropriations, 2000	$5,580,895,000
Budget estimate, 2001	5,929,400,000
House allowance	5,579,600,000
Committee recommendation	5,837,000,000

PROGRAM DESCRIPTION

NASA's "Science, aeronautics and technology" account provides funding for science, research and development programs to extend knowledge of the Earth, its space environment, and the universe; to expand the practical applications of aerospace technology, launch services, and advanced space transportation technology; to promote and expand aeronautical research and technology; and to fund academic and education programs.

COMMITTEE RECOMMENDATION

The Committee recommends $5,837,000,000 for the Science, Aeronautics and Technology account, a reduction of $92,400,000 below the President's request and $256,105,000 above the fiscal year 2000 enacted level. NASA is directed to make adjustments within each of the six identified enterprises within this account to accommodate the stated funding priorities and submit these adjustments as part of its fiscal year 2001 operating plan.

Space Science.—NASA's Space Science program seeks to answer fundamental questions concerning the galaxy and the universe; the connection between the Sun, Earth, and heliosphere; the origin and evolution of planetary systems; and the origin and distribution of life in the universe. The Space Science program is comprised of a base program of research and development activities, including research and flight mission activities and major flight missions which provide major space-based facilities.

The Committee supports the Space Science program and recognizes the many contributions this mission has made to our understanding of the universe and the solar system. Nevertheless, the loss of two consecutive Mars missions in the Mars Surveyor program raises serious concerns with regard to NASA's philosophy of "faster, better, cheaper." The Committee believes that these losses should have been easily avoided. In particular, the $125,000,000 Mars Climate Orbiter was lost on September 23, 1999 because of a failure by Lockheed Martin/JPL to convert English units into metric units. Subsequently, the $165,000,000 Mars Polar Lander likely was lost because of a coding failure that never should have occurred. Both programs had histories of cost overruns and schedule delays. These failures follow last year's losses of the Lewis and Clark and the Wide-field Infrared Explorer (WIRE) missions. Since 1992, NASA has launched 16 robotic space exploration missions under the "faster, better, cheaper" policy and seven of these missions have either failed or had serious problems post launch.

The Mars Program Independent Assessment Team Report, released on March 14, 2000, acknowledged the value of the Mars program as well as the viability of the "faster, better, cheaper" philosophy. The Committee also supports this philosophy but directs NASA to take all necessary steps to ensure that the right lessons are learned and applied. In particular, the report emphasized the need to establish protocols that minimize risk, including the need to provide experienced leadership, standards for risk assessment and the development of realistic budgets and reserves for each mission which also tie decisionmaking to appropriate headquarter oversight.

The Committee recognizes that the recommendations of the Mars Program Independent Assessment Team may be applied throughout the Space Science enterprise in order to minimize the possibility of future mission failures. This likely will increase the costs of space science missions in future years. The Committee, therefore, directs NASA to provide a 5-year profile of the additional costs that would be associated with implementing the Mars Program recommendations as part of the fiscal year 2002 budget submission.

The Committee understands that NASA missions and activities have inherent risk, and supports NASA's efforts to push the envelope of human knowledge which requires some risk and must allow for failure. The Committee also believes that any failure must be smart failure, not stupid failure.

NASA's fiscal year 2001 request for the Office of Space Science also provides an important first step toward achieving a robust and consolidated Sun-Earth Connection (SEC) program. This new initiative called "Living With A Star" and the intent to accelerate the launch rate of Solar Terrestrial Probe (STP) missions will strengthen OSS's overall program. Accordingly, the Committee has provided the full budget request, $20,000,000, for this initiative in 2001 and directs NASA to submit a detailed, long-term plan to create a resilient SEC program by February 15, 2001. The plan should include a launch schedule, flight profile and creation of an Advanced Technology Development (ATD) program.

Based on the Committee's direction to select competitively 75 percent of space science advanced technology funding, NASA recently released an open research announcement in the Cross Enterprise Technology Development Program (CETDP) that resulted in an impressive response of over 1,200 proposals worth $1,500,000,000. However, NASA has raised concerns that diverting these funds to open solicitations is contributing to a possible loss of needed "core competencies" at the NASA field centers. Therefore, the Committee requests that the National Academy of Sciences report to the Committee by June 2001 whether NASA's concern over core competencies is adequately understood and the desired funding is justified, and whether the CETDP out-year budget for open solicitations should be reduced in favor of funding key core competency activities. In the meantime, NASA should take no action that undermines the 75 percent goal or the planned open research solicitations. If NASA feels that additional funding is needed in fiscal year 2001 to address transitional core competency issues, then the agency may propose for the Committee's consideration a reprogramming of funds from within the Intelligent Synthesis Environment program.

The Committee fully supports NASA's goal to develop new long-term partnerships, particularly with university laboratories throughout the country. As a means of cost reduction and improving long-term vision, NASA must leverage existing infrastructures and capabilities at university laboratories. This approach has the added benefits of complementing NASA's core capabilities at NASA centers and improving technology transfer to the private sector. NASA is encouraged to invest in future partnerships of this type to enhance the fundamental value of its earth and space science programs.

The Committee includes an additional $3,000,000 for the development of the STEP–AIRSEDS program, an electrodynamic and momentum transfer space tether transportation program.

The Committee continues to note the significant scientific knowledge and discovery which Hubble Space Telescope generates now nearly a decade past its initial launch. The Committee believes that HST should continue to have the capabilities to generate significant scientific advancement throughout its currently planned life on orbit. For this reason, the Committee believes that additional funds are necessary to cover costs to the program for servicing-related expenses caused by delays in launch due to the space shuttle's manifest schedule that have forced the program to deplete critical program reserves. The Committee believes these costs should be allocated to the Human Space Flight account absent a reasonable justification from NASA. As the NASA budget picture becomes clearer, the Committee anticipates providing additional funds to cover these HST costs. At the same time, the Committee believes that costs for the upcoming deployment of the Wide Field Camera 3 (WF3) should be constrained in accordance with the program's fiscal year 1998 baseline. For this reason, WF3 costs, exclusive of costs borne by the Office of Space Flight for shuttle integration and payload processing and related shuttle launch costs, is capped at $75,500,000.

The Committee includes an increase of $2,500,000 for the Hubble telescope project to initiate a Composites Technology Institute in Bridgeport, WV. The Hubble telescope project has been one of the exemplary programs at NASA that has educated and heightened public knowledge and appreciation of the wonders of the universe. To maximize public investment in this program, NASA is directed to fund fully all upgrades.

Earth Science.—The objective of NASA's Earth Science Program is to understand the total Earth system and the effects of natural and human-induced changes on the global environment. Earth science has three broad goals: to expand scientific knowledge of the Earth using NASA's unique capabilities from the vantage points of space, aircraft, and in other such platforms; to disseminate information about the Earth system; and to enable productive use of Earth science and technology in the public and private sectors.

The Committee is concerned about the failure to implement Congressional directives in the release of specific funding designated by the Appropriations Committees in the Fiscal Year 2000 VA–HUD Appropriations Act. For this reason, the Committee is suspending the ability of the Office of Earth Science to reprogram funds in fiscal year 2001 unless specifically authorized by the Committees on Appropriations. The Committee will consider changes to this policy where there are issues related to near-term launch readiness and mission safety.

The Committee remains troubled by the lack of a follow-on strategy for the next generation of earth science satellites. While the Committee is aware of the National Academy of Sciences plan for follow-on missions, the Committee thus far has received no notice of a definitive plan or any indication as to what the future missions will be. The Committee, therefore, recommends a funding increase of $2,500,000 for the National Academy of Sciences to initiate follow-on studies from the National Academy to identify mid- and long-term follow-on flight profiles.

As part of the follow-on plan, the Office of Earth Science should devise a flight program that allows for regular flight opportunities similar to the space science effort in explorer, discovery and parallel class missions awarded through the announcement of opportunity process; $1,500,000 for studies initiating a Landsat-7 follow-on commercial data purchase; $2,000,000 for phase A/B studies and preliminary advanced technology development (ATD) work to initiate the global precipitation mission, identified by the National Academy as a high priority data requirement; $2,000,000 for phase A/B studies and preliminary ATD work on the global earthquake satellite; $5,000,000 for studies on the next generation earth science data information system, the so called "new DIS." The Committee believes there should be an emphasis on the re-use of the existing system in order to minimize future costs while allowing for the infusion of new technology; $50,000,000 for formulation studies and ATD on the NPOESS preparatory project (NPP) mission, of which $5,000,000 shall be an additional amount allocated to ECS only for the development of high speed data processing and algorithm validation processes to minimize NPP flight risks.

The Committee also expects the Office of Earth Science to allocate management for each of the above follow-on directives, except the National Academy studies, to the appropriate NASA centers to integrate fully the Agency's earth science capabilities into the future of the earth science program.

The Committee provides an additional $40,000,000 above the request to ensure delivery of a full scale EOSDIS Core System (ECS) only for a total program level of $115,000,000. Of these additional funds, $25,000,000 should be used to provide optimized system functionality, planning for future growth and adaptations due to instrument team changes, provision for additional processing, and archival capabilities needed at the DAAC's. The remaining $15,000,000 is needed to continue and expand the Synergy program that was begun in fiscal year 2000. In fiscal year 2001, the Committee believes the Synergy program should focus on the following: continued development of the current applications to make them accessible to the general public; expansion of the number of infomarts/data store fronts to broaden the application base and implementation of a unified access data server for local, State and Federal agencies and the commercial marketplace. As part of this effort, NASA is directed to integrate the regional earth science application centers into the Synergy program by the end of fiscal year 2001.

The Committee continues to support programs aimed at fostering the development of a robust U.S. commercial remote sensing industry which is being carried out at the Stennis Space Center as NASA's lead center for commercial remote sensing. The Committee strongly endorses the partnership programs developed by the Stennis Space Center that include sponsored research projects with private companies, universities, States and localities as well as other governmental agencies, such as the U.S. Department of Agriculture, U.S. Geological Survey and the U.S. Department of Transportation. The Committee also expects the management of the Synergy program to remain at the Goddard Space Flight Center. Moreover, the Committee provides an additional $20,000,000 to continue commercial data purchases to meet NASA's Earth Science and Application data needs. The Committee further directs NASA to report to the Committee by March 15, 2001 with a 10-year strategy and funding profile for securing Earth Science and Application data services from U.S. companies. NASA is directed to develop centers of excellence at universities throughout the nation to develop this industry and increase commercial applications, including applications such as those related to agriculture, flood mapping, forestry, environmental protection, and urban planning.

In particular, the Committee supports NASA's ongoing support under its Commercial Remote Sensing program for academic partnerships, including renewal of its ongoing grant to support Mississippi State University's remote sensing program and its center of excellence for geospatial research, education and training. Within this program, the Committee also includes $3,000,000 to enhance the University of South Mississippi's research capability in the use of remotely sensed data for coastal zone management, $1,000,000 for a carbon cycle remote sensing technology program for the KARS Regional Earth Sciences Applications Center at the University of Kansas and $1,500,000 for the University of North Dakota to support the Upper Midwest Aerospace Consortium.

The Committee is aware of NASA efforts to produce high resolution topographic maps of regions of the United States. These results can serve a wide range of users from commercial and military aviation to environmental and property development planning. The Committee endorses this program and has provided $1,500,000 for topographic sensor measurement efforts in Alaska. The Committee is aware of opportunities to use NASA aircraft and satellite sensors to make detailed observations of the ocean currents, weather, and possibly species migrations. These efforts can have a range of applications from aiding planning of fish harvests to assisting the weather modeling in regions heavily influenced by ocean conditions. The Committee recommendation provides $2,000,000 for remote ocean sensing research and measurements in the areas of the Bering Sea and the northernmost Pacific Ocean.

Life and Microgravity Sciences and Applications.—The Life and Microgravity Science Program uses the microgravity environment of space to conduct basic and applied research to understand the effect of gravity on living systems and to conduct research in the areas of fluid physics, materials science, and biotechnology. The Life and Microgravity Science Program will conduct research, and provide the opportunity to refine the definition, design, and development of experimental hardware planned for the International Space Station.

The Committee supports the Administration's budget request for the Life and Microgravity Sciences and Applications mission since much of the research associated with these activities are targeted to the International Space Station.

The Committee recommendation has provided $3,500,000 for a center on life in extreme thermal environments at Montana State University in Bozeman. It is expected that NASA will include funding for this research as part of the fiscal year 2001 Budget.

Aero-Space Technology.—The objective of the Aero-Space Technology Mission is to pioneer long-term, high-risk, high-payoff technologies that are effectively transferred to industry and Government. The program's technology goals are grouped into three areas to reflect the national priorities for aeronautics and space: global civil aviation; revolutionary technology leaps; and access to space. The Aeronautics and Space Transportation Technology Program includes: Aeronautics, that addresses critical aeronautical safety, environmental, airspace productivity, and aircraft performance needs at national and global levels; space transportation technology, that will develop technology for the next generation space transportation system, with a target of reducing vehicle development and operational costs dramatically; and commercial technology, that consists of conducting a continuous inventory of newly developed NASA technologies, maintaining a searchable data base of this inventory, assessing the commercial value of each technology, disseminating knowledge of these NASA technology opportunities to the private sector, and supporting an efficient system for licensing NASA technologies to private companies. This program also includes the operation of the Small Business Innovation Research Program which is designed to enhance NASA's use of small business technology innovators.

The Committee recommendation includes $9,000,000 for the Small Air Transportation System (SATS). SATS is NASA's only focused investment in advanced technology that is designed to improve the safety and efficiency of general aviation.

The Committee intends that the Ultra Efficient Engine Technology program be funded at $10,000,000 above the President's budget. The Committee includes the President's request of $5,500,000 for the development of Polymer Energy Rechargeable Systems.

The Committee recommendation supports the President's budget request for the independent verification and validation [IV&V] facility and $7,300,000 for the National Technology Transfer Center.

The Committee strongly supports NASA's Space Launch Initiative (SLI), whose goals is for NASA to meet its future space flight needs, including human access to space, using commercial launch vehicles that will reduce cost and improve safety and reliability. The Committee fully supports NASA's request of $290,000,000. NASA is commended for developing an integrated space transportation plan that links decision milestones between SLI, Space Shuttle upgrades, Space Station crew return vehicle development, and third generation space transportation technology research.

The Committee directs NASA to maintain two key principles throughout the life of SLI, namely: (1) any launch vehicles developed will be owned and operated by private industry and be capable of competing effectively in the commercial marketplace; and (2) the program will rely on competition from existing and emerging launch service providers to ensure innovation, openness, and resiliency. Therefore, NASA must:

—identify the minimum set of requirements that would enable development of privately owned and operated launch vehicle(s) that would compete effectively in the commercial marketplace, and, with the benefit of NASA provided unique hardware, would service the cargo and personnel needs of the International Space Station. Any requirements above this minimum set should be clearly identified and separately costed for its impact;

—allocate at least 90 percent of SLI funding through full and open competition;

—promptly name an independent external panel that will conduct regular reviews of SLI to ensure that NASA adheres to the two principles cited above; has the organization and plan in place to implement the program; has adequately assessed the program requirements and identified possible alternatives (particularly those that would enhance commercial viability); and is on track to enable full-scale launch vehicle development decisions. The panel should annually report its findings to the Committee;

—assess crew return vehicle concepts that could serve as a cost effective building block toward an eventual crew transfer vehicle. The independent panel should validate this effort and report to the Committee before NASA commits any funds for full scale development of a crew return vehicle; and

—vigorously pursue commercial launch services from existing and emerging launch service providers, including efforts targeted to the feasibility of reusable launch vehicles, for Alternative Access to Space Station and report to the Committee whether joint procurements with the Department of Defense for such launch vehicles are desirable. Although Alternative Access promises to be an important feature of the initiative, the Committee believes it is premature to add funding above the $40,000,000 request. Furthermore, the Committee directs NASA to consider launch sites other than Cape Canaveral/Kennedy Space Center as part of the Alternative Access to Space Station initiative.

The Committee includes $10,000,000 for a Propulsion Research Laboratory to be located at NASA's Center of Excellence for Space Propulsion at the Marshall Space Flight Center.

Mission Communications Services and Academic Programs.—The Committee has included $2,000,000 for MSU in Bozeman, MT, to carry out research into advanced hardware and software technologies for development of advanced optoelectronic materials. The Committee expects NASA to include these research endeavors to be included in the fiscal year 2001 budget.

The objective of NASA's academic programs is to promote excellence in America's education system through enhancing and expanding scientific and technological competence. Activities conducted within academic programs capture the interest of students in science and technology, develop talented students at the undergraduate and graduate levels, provide research opportunities for students and faculty members at NASA centers, and strengthen and enhance the research capabilities of the Nation's colleges and universities. NASA's education programs span from the elementary through graduate levels, and are directed at students and faculty. Academic programs includes the Minority University Research Program, which expands opportunities for talented students from underrepresented groups who are pursuing degrees in science and engineering, and to strengthen the research capabilities of minority universities and colleges.

The Committee has included $19,100,000 for the National Space Grant College and Fellowship Program. This funding is the same as the fiscal year 2000 level and the President's request for fiscal year 2001. This program is a valuable tool in developing educational partnerships in support of science, mathematics, technology, engineering and geography.

The Committee recommendation has included $12,000,000 for the NASA EPSCoR Program, $5,400,000 above the budget request and $2,000,000 over the fiscal year 2000 level. The Committee expects NASA EPSCoR to support a broad range of research areas in each EPSCoR State, drawn from Earth science, space science, aeronautics and space transportation technology, and human exploration and development of space, and to distribute the awards, competitively, to the largest number of eligible States possible.

The Committee has provided $55,000,000 for NASA's minority university research and education activities. This amount is $1,200,000 above the fiscal year 1999 enacted level and $9,100,000 above the President's budget request. These funds should be allocated in the same proportion as last year's funds were allocated in order to strengthen graduate science, mathematics, engineering, and technology education at historically black colleges and universities. African-Americans continue to be substantially underrepresented at the doctoral level in many sciences, mathematics, engineering, and technology fields.

The Committee recommendation includes $3,000,000 for the NASA International Earth Observing System [EOS] Natural Resource Training Center at the University of Montana, Missoula, MT; $2,000,000 for the University of Wisconsin-Milwaukee to implement the Wisconsin Initiative for Math, Science, and Technology initiative; $2,500,000 for the Jason Foundation for the development of an education program for school children on the exploration of space; $2,500,000 for the Bishop Museum/Mauna Kea Astronomy Education Center; $1,000,000 for the implementation of the statewide learning program for the Challenger Learning Center in Kenai, Alaska; $1,000,000 for the University of Akron for nanotechnology research; $1,000,000 for a NASA Center of Excellence in Mathematics, Science and Technology at Texas College in Tyler, Texas; $1,000,000 for the Pipelines Project at Iowa State University/Southern University—Baton Rouge; $1,000,000 for ongoing aerospace projects at MSE Technology Applications in Butte, Montana; $250,000 for the Oklahoma Aeronautics and Space Commission for sounding rockets for the Oklahoma Space and Technology Applied Research program; $1,000,000 for the Chabot Observatory and Science Center, Oakland, CA; $1,000,000 for Montana State University for the techlink program; $3,000,000 is provided to the Donald Danforth Plant Science Center's Modern Genetic's project to permit studies that simulate specialized weather conditions, pathogen attacks, and development and characterization of genetically modified plants in controlled-environment chambers; an increase of $10,000,000 for the Green Bank Radio Astronomy Observatory including $3,000,000 for operations, $5,000,000 for deferred maintenance and $2,000,000 to complete an education and visitor center; $2,000,000 for the National Center for Space Research and Technology, a partnership between the Marshall Space

Flight Center and the University of Alabama Huntsville (as a reduction from the Propulsion Research Laboratory at Marshall Space Flight Center); $2,000,000 for equipment for the South Carolina State Museum's Observatory, Planetarium and Theater; $8,000,000 for the University of Hawaii for infrastructure needs of the Mauna Kea Education Center; $15,000,000 for infrastructure needs for the Life Sciences building at the University of Missouri-Columbia; and $1,000,000 for the Field Museum for the development of the "SUE" exhibit, a showcase of a 67 million-year-old Tyrannosaurus Rex; and the full budget request of $2,000,000 for the Classroom of the Future. NASA is directed to make appropriate adjustments within each of the six identified enterprises within this account to accommodate the stated funding priorities in this paragraph and submit these adjustments as part of its fiscal year 2000 operating plan.

The Committee includes $2,000,000 for the Lewis and Clark Rediscovery Web Technology Project which will provide K–12 and university level teachers internet and interactive web teaching technologies through a partnership between the University of Idaho, Wheeling Jesuit College and the University of Montana.

MISSION SUPPORT

Appropriations, 2000	$2,512,024,000
Budget estimate, 2001	2,584,000,000
House allowance	2,584,000,000
Committee recommendation	2,584,000,000

PROGRAM DESCRIPTION

This appropriation provides for mission support including safety, reliability, and mission assurance activities supporting agency programs; space communications services for NASA programs; salaries and related expenses in support of research in NASA field installations; design, repair, rehabilitation and modification of institutional facilities, and construction of new institutional facilities; and other operations activities supporting conduct of agency programs.

Funds provided in the "Mission support" account pay for NASA civil service salary and related expenses, travel, construction of facilities, and research operations support [ROS] contractors.

COMMITTEE RECOMMENDATION

The Committee has provided $2,584,000,000 for mission support activities. This amount is the same as the President's budget request for these activities and an increase of $71,976,000 above the current level.

The Committee recommends $24,000,000 for E-Complex upgrades and relocation of Government equipment at the Stennis Space Center to accommodate the growth in large, medium and small-scale liquid propulsion testing as part of the Space Launch Initiative. An additional $12,000,000 is included to cover a new Propulsion Test Operations Building, and for upgrades to the East/West access road.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2000	$20,000,000
Budget estimate, 2001	22,000,000
House allowance	23,000,000
Committee recommendation	23,000,000

PROGRAM DESCRIPTION

The Office of Inspector General was established by the Inspector General Act of 1978. The Office is responsible for providing agency-wide audit and investigative functions to identify and correct management and administrative deficiencies which create conditions for existing or potential instances of fraud, waste, and mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends $23,000,000 for fiscal year 2001, $1,000,000 above the President's budget request. The Committee commends the NASA IG's diligence to addressing issues of fraud and abuse.

ADMINISTRATIVE PROVISIONS

The Committee recommendation includes a series of provisions, proposed by the administration, which are largely technical in nature, concerning the availability of funds. These provisions have been carried largely, in prior-year appropriation acts.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

	Direct loan limitation	Administrative expenses	Revolving loan program
Appropriations, 2000	$18,600,000,000	$257,000	$996,000
Budget estimate, 2001	20,700,000,000	296,000	
House allowance	3,000,000,000	296,000	1,000,000
Committee recommendation	600,000,000	296,000	

PROGRAM DESCRIPTION

The National Credit Union Administration [NCUA] Central Liquidity Facility [CLF] was created by the National Credit Union Central Liquidity Facility Act (Public Law 95–630) as a mixed-ownership Government corporation within the National Credit Union Administration. It is managed by the National Credit Union Administration Board and is owned by its member credit unions.

The purpose of the facility is to improve the general financial stability of credit unions by meeting their seasonal and emergency liquidity needs and thereby encourage savings, support consumer and mortgage lending, and provide basic financial resources to all segments of the economy. To become eligible for facility services, credit unions invest in the capital stock of the facility, and the facility uses the proceeds of such investments and the proceeds of borrowed funds to meet the liquidity needs of credit unions. The primary sources of funds for the facility are the stock subscriptions from credit unions and borrowings.

The facility may borrow funds from any source, with the amount of borrowing limited by Public Law 95–630 to 12 times the amount of subscribed capital stock and surplus.

Loans are available to meet short-term requirements for funds attributable to emergency outflows from managerial difficulties or local economic downturns. Seasonal credit is also provided to accommodate fluctuations caused by cyclical changes in such areas as agriculture, education, and retail business. Loans can also be made to offset protracted credit problems caused by factors such as regional economic decline.

COMMITTEE RECOMMENDATION

The Committee recommends the budget request of limiting administrative expenses for the Central Liquidity Fund [CLF] to $296,000 in fiscal year 2001. This legislation reinstates a limitation of $600,000,000 for the principal amount of new direct loans to member credit unions, and does not appropriate an additional $1,000,000 to be used for loans to community development credit unions as requested by the President.

In the 1999 Emergency Supplemental Appropriation Act the Committee lifted the cap on loans to member credit unions in order to address anticipated liquidity demands due to the Y2K date change. It was the intent of the Committee in the 1999 Emergency Supplemental to raise the cap for a possible liquidity shortage due to Y2K only and it was not the intent of the Committee to permanently raise the cap. Additionally, the General Accounting Office reports that although increasing the caps probably reduced fears, the slight increase in loans to member credit unions to cover possible liquidity short falls due to Y2K probably could have been covered by corporate credit unions and from the Federal Reserve discount window. Therefore, the Committee recommends to reinstate the cap at $600,000,000 and recommends that if NCUA wishes to raise the cap that it work with the Committee on Banking and Urban Affairs to amend the Central Liquidity Facility Act.

While the Committee is supportive of assisting low-income communities, it is concerned about the duplication of Federal programs. Accordingly, the Committee suggests NCUA coordinate its program of issuing loans to community development credit unions with the community development programs of the Department of Housing and Urban Development and the Community Development Financial Institutions Fund. The Committee would like to see the results of this effort in NCUA's 2002 budget justification.

NATIONAL SCIENCE FOUNDATION

Appropriations, 2000	$3,897,184,000
Budget estimate, 2001	4,572,400,000
House allowance	4,064,300,000
Committee recommendation	4,297,184,000

GENERAL DESCRIPTION

The National Science Foundation was established as an independent agency by the National Science Foundation Act of 1950

(Public Law 81–507) and is authorized to support basic and applied research, science and technology policy research, and science and engineering education programs to promote the progress of science and engineering in the United States.

The Foundation supports fundamental and applied research in all major scientific and engineering disciplines, through grants, contracts, and other forms of assistance, such as cooperative agreements, awarded to more than 2,000 colleges and universities, and to nonprofit organizations and other research organizations in all parts of the United States. The Foundation also supports major national and international programs and research facilities.

COMMITTEE RECOMMENDATION

The Committee recommends $4,297,184,000 for the National Science Foundation for fiscal year 2001. This amount is $400,000,000 more than the fiscal year 2000 enacted level and $275,216,000 below the budget request.

RESEARCH AND RELATED ACTIVITIES

Appropriations, 2000	$2,958,462,000
Budget estimate, 2001	3,540,680,000
House allowance	3,135,690,000
Committee recommendation	3,245,562,000

PROGRAM DESCRIPTION

The research and related activities appropriation addresses Foundation goals to enable the United States to uphold world leadership in all aspects of science and engineering, and to promote the discovery, integration, dissemination, and employment of new knowledge in service to society. Research activities will contribute to the achievement of these goals through expansion of the knowledge base; integration of research and education; stimulation of knowledge transfer among academia and the public and private sectors; and bringing the perspectives of many disciplines to bear on complex problems important to the Nation.

The Foundation's discipline-oriented research programs are: biological sciences; computer and information science and engineering; engineering; geosciences; mathematical and physical sciences; and social, behavioral and economic sciences. Also included are U.S. polar research programs, U.S. antarctic logistical support activities, and the Science and Technology Policy Institute.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $3,245,562,000 for research and related activities. This amount is $287,100,000 above the fiscal year 2000 enacted level and $295,118,000 below the budget request.

The Committee supports fully the Foundation's efforts to push the boundaries of science and technology issues, especially in the areas of information technology, biotechnology, and the administration's new focus on nanotechnology. The Committee also applauds the Foundation's efforts to address the problem of science and mathematics education among K–12, undergraduate, and graduate students. However, in order for the Foundation to reach successfully its research and education goals, it must reach out to individuals and schools that have not participated fully in NSF's programs. Accordingly, the Committee remains concerned about the administration's request for programs designed to assist minorities, women, and schools that have not received significant Federal support.

To improve planning and priority-setting for the Foundation and improve the Committee's efforts to understand NSF's long-term budgeting, the Committee directs NSF to provide multi-year budgets for all of its multi-disciplinary activities beginning in fiscal year 2002. While the Foundation has provided outyear budgets for projects under its Major Research Equipment account, only 1 year budgets have been generally provided for its activities under the R&RA and Education and Human Resources accounts. The Committee recognizes that NSF has taken on more significant initiatives that often require multi-year funding to meet its research goals. For example, NSF has initiated major efforts in the areas of information technology, biocomplexity, and nanotechnology. Accordingly, the Committee directs NSF to include the outyear budget impacts and needs of all these major multi-disciplinary activities in the annual operating plan.

To further NSF's major initiatives, the Committee recommends an additional $125,000,000 in new funding to enhance its computer and information science and engineering activities consistent with the President's Information Technology Advisory Committee (PITAC) recommendations in its February 1999 report. These additional funds would increase the level of support for the information technology initiative to $215,000,000. As prescribed in the PITAC report and the fiscal year 2000 conference report accompanying the VA, HUD, and Independent Agencies Appropriations Act (House Report 106–379), the Committee expects NSF to provide an increased ratio of grants at higher funding levels and for longer duration than what is typically funded. Further, the Committee encourages NSF to continue its efforts under the Next Generation Internet program in providing high-speed networking access to remote and hard to reach areas, especially in rural States.

The Committee recommends $75,000,000 for the Foundation's biocomplexity initiative, an increase of $25,000,000 over last year's level. The Committee supports this multi-disciplinary initiative. This program should also complement the highly successful Plant Genome Research Program.

The Committee recommends $65,000,000 for the Plant Genome Research Program and supports the Foundation's request to initiate the new "2010 Project" and supplement the program with $20,000,000 from other basic research activities throughout the biological sciences directorate. The Committee expects the Foundation to continue its support for structural and functional plant genomic research on economically significant crops. The Committee recognizes the findings of the Interagency Working Group (IWG) on Plant Genomes, which recommended spending at least $320,000,000 over 5 years in new funds on plant genome research.

The "2010 Project" is expected to create needed genome-wide tools that will lead to more rapid advances in functional genomics research in valuable food crops. The Committee encourages NSF to work with the IWG on Plant Genomes to develop recommendations on how best to make use of the important tools that will be developed through the "2010 Project." The Committee is also excited by NSF's supported research in nutritional genomics, which will lead to the discovery in plants of key genes controlling metabolic pathways that lead to production of vitamins, essential amino acids, antioxidants, and accumulation of minerals essential for human nutrition. This research could substantially improve the nutritional quality and health benefit of eating normal portions of fruits and vegetables, which would greatly benefit people in developing countries. The Committee encourages NSF representatives to the IWG on Plant Genomes to work with other IWG representatives in developing recommendations for the Committee concerning research and training in nutritional genomics.

The Committee recommends $125,000,000 for the new multi-agency nanotechnology initiative. The Committee believes that the recommended level of funding will be adequate for the Foundation to begin this initiative in a field that is still regarded to be in its infancy. The recommended level is less than the $216,700,000 requested level due to concerns about the Foundation taking on another major interagency initiative when its administrative resources have remained relatively flat. The Committee expects the Foundation to work with the Office of Science and Technology Policy in carefully crafting a detailed, rational long-term strategy with performance outcome measurements for the nanotechnology initiative. Further, the Committee directs NSF to include in its budget justifications for fiscal year 2002, a workload-analysis plan that identifies the resources necessary for the Foundation to carry out this initiative and other current and future program responsibilities.

The Committee recognizes the significant infrastructure needs of our nation's research institutions, especially for smaller research institutions that have not traditionally benefitted from Federal programs. The Committee is especially concerned about the larger schools receiving a disproportionate share of scarce Federal resources from indirect cost reimbursements to fund infrastructure needs. As a result, the Committee recommends $75,000,000 to the Foundation's Major Research Instrumentation (MRI) account to address the infrastructure needs of research institutions. NSF is encouraged to target these funds in assisting smaller research institutions.

The Committee notes the recent 3 year, $15,000,000 cooperative agreement between NSF and the International Arctic Research Center (IARC). The Committee commends NSF for its commitment to the international cooperative research opportunities made available through IARC.

The Committee notes that NSF is participating in a multi-agency effort to determine the future needs of the U.S. research vessel fleet. The Committee is aware that a replacement vessel for the R/V Alpha Helix, an arctic research vessel, has a useful life of 2 to 3 years remaining. The Committee recommends that NSF begin the design and model testing of a vessel to replace the R/V Alpha Helix and provides $1,000,000 for this purpose.

The Committee is very concerned that NSF has not proposed to maintain adequately its existing astronomy facilities. In last year's Senate report, the Committee expressed its support for enhanced operations and maintenance and development of new instrumentation at the Very Large Array and the Very Long Baseline Array in New Mexico and continued construction of the Green Bank Telescope in West Virginia. Now that the Green Bank Telescope is completed, these astronomy facilities need to be supported in their operations, and new instrumentation and upgrades must be provided to keep them as world class facilities. Accordingly, the Committee provides an additional $13,000,000 above the fiscal year 2001 request levels for the astronomical sciences subactivity for these facilities.

The Committee is very supportive of the research and development activities being conducted at the National High Magnetic Field Laboratory (NHMFL). Based at Florida State University with the University of Florida and Los Alamos National Laboratory as its partners, the laboratory has attracted world-class scientists and engineers and has developed state-of-the-art facilities like no other place in the world. The NHMFL has submitted its renewal proposal to the Foundation earlier this year and is being currently reviewed by NSF and the National Science Board for final funding decisions this fall. The Committee supports strongly the laboratory and the work it has accomplished and hopes that the Foundation continues its support for this outstanding facility.

Lastly, the Committee recognizes the Foundation's funded research in the social, behavioral, and economic sciences (SBE) area. The Committee is especially interested in SBE activities to raise science literacy, which is a problem in this country that will impact the economic health and competitiveness of the nation. The Committee also encourages the continued involvement of behavioral and social science research in NSF's multi-disciplinary initiatives, including information technology and 21st Century Workforce. Further, the Committee encourages NSF to formulate a plan for increasing the number of young investigators in SBE and other research areas.

MAJOR RESEARCH EQUIPMENT

Appropriations, 2000	$93,500,000
Budget estimate, 2001	138,540,000
House allowance	76,600,000
Committee recommendation	109,100,000

PROGRAM DESCRIPTION

The major research equipment activity will support the acquisition, construction and procurement of unique national research platforms, research resources and major research equipment. Projects supported by this appropriation will push the boundaries of technological design and will offer significant expansion of opportunities, often in new directions, for the science and engineering community.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $109,100,000 for major research equipment. This amount is $15,600,000 more than the fiscal year 2000 enacted level and $29,440,000 below the budget request.

The Committee has provided $45,000,000 for a second Terascale Computing System, $16,400,000 for the Large Hadron Collider, and $6,000,000 for the Millimeter Array. The Committee has also provided $28,200,000 to continue the construction of the Network for Earthquake Engineering Simulation, and $13,500,000 for the south pole station modernization efforts. No funding is provided for the new EarthScope or the National Ecological Observatory Network projects as requested by the administration due to budgetary constraints.

EDUCATION AND HUMAN RESOURCES

Appropriations, 2000	$690,872,000
Budget estimate, 2001	729,010,000
House allowance	694,310,000
Committee recommendation	765,352,000

PROGRAM DESCRIPTION

Education and human resources activities provide a comprehensive set of programs across all levels of education in science, mathematics, and technology. At the precollege level, the appropriation provides for new instructional material and techniques, and enrichment activities for teachers and students. Undergraduate initiatives support curriculum improvement, facility enhancement, and advanced technological education. Graduate level support is directed primarily to research fellowships and traineeships. Emphasis is given to systemic reform through components that address urban, rural, and statewide efforts in precollege education, and programs which seek to broaden the participation of States and regions in science and engineering.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $765,352,000 for education and human resources (EHR). This amount is $74,480,000 more than the fiscal year 2000 enacted level and $36,342,000 more than the budget request. The Committee also notes that NSF expects to receive an additional $31,000,000 from the H–1B Visa account, which will further supplement its EHR activities.

The Committee is deeply disappointed by the administration's lack of support in its budget request for assisting smaller research institutions and minorities. The Committee is particularly troubled by the lack of support provided to the Office of Innovation Partnerships (OIP) and the Experimental Program to Stimulate Competitive Research (EPSCoR). The Office of Innovation Partnerships, which was created last year at the Committee's direction, was expected to raise the attention and focus of addressing the needs of smaller research institutions and other underfunded entities. Regrettably, the administration requested no new funds for this important office. The Committee recommendation provides

$10,000,000 to OIP, an increase of $1,500,000 over last year's level. The Committee has also provided $65,000,000 to EPSCoR, an increase of $13,610,000 over last year's enacted level and $16,590,000 over the budget request.

To address the importance of broadening science and technology participation to minorities, the Committee recommendation includes $12,000,000 for the Historically Black Colleges and Universities—Undergraduate Program (HBCU–UP), an increase of $3,620,000 over the fiscal year 2000 enacted level and $3,000,000 more than the budget request. These funds are to be matched by an additional $1,000,000 in funds from the research and related activities account for a total funding level of $13,000,000 in fiscal year 2001. The Committee also supports the administration's budget requests for the Louis Stokes Alliance for Minority Participation program; the new Tribal Colleges program; the Minority Graduate Education program; the Centers of Research Excellence in Science and Technology program; and the Model Institutions for Excellence program. The Committee commends the Foundation for creating a new Tribal Colleges program to address the research and infrastructure needs of colleges serving Native Americans, Alaskan Natives, and Native Hawaiians.

The Committee notes that Alaska and Hawaii do not provide higher education to Native students through the tribal college system. It expects the Foundation to include Alaska Native serving institutions and Native Hawaiian serving institutions as defined by the Higher Education Act in its Tribal College program to ensure that Alaska Natives and Native Hawaiians are not excluded from this innovative, new initiative.

The Committee also strongly supports the Foundation's programs to support women and persons with disabilities. Specifically, the Committee recommends $16,500,000 for programs designated for women and persons with disabilities.

The Committee supports the Foundation's efforts to strengthen the nation's security of its information infrastructure. The Committee is providing $11,200,000 for the new Scholarships for Service program to build a cadre of individuals in the Federal sector with the skills to protect the nation's information systems.

The Committee also continues its strong support for the Informal Science Education (ISE) program. The Committee especially values the ISE program in raising interest among children and young adults in science and technology and notes the success of certain settings, such as the Sea Life Center in Seward, Alaska and the National Aquarium in Baltimore, Maryland. The ISE has also played a role in the development of science teachers. The Committee supports NSF's fiscal year 2001 focus on building collaborations between informal and formal science institutions, opportunities for underrepresented groups, involvement of parents, and enhancement of public understanding of mathematics.

The Committee recognizes the importance of research in nuclear science. NSF's investment is primarily in basic nuclear science and NSF–supported research has led to important applications seen in medicine such as CAT scans, nuclear magnetic resonance imaging (MRI), and positron emission tomography (PET scans). The Committee, however, is concerned by the declining Federal support in nuclear engineering education. Accordingly, the Committee directs the Foundation to review the academic interest in nuclear engineering education and to provide recommendations on how NSF can support this area. The findings and recommendations should be provided to the Committee by no later than March 15, 2001.

The Committee is also concerned by the funding levels proposed by the Administration for the Foundation's graduate research education programs. The Committee is concerned particularly with the proposed reduction in funding for the highly successful and prestigious Graduate Research Fellowships (GRF) program. This highly competitive program has produced 18 Nobel Prize winners since 1975. The Committee is very supportive of the GRF program and provides $55,200,000 for fiscal year 2002. This will allow the Foundation to raise the annual stipend amount from its current level of $16,200 to $18,000 per award. The Committee believes that the increased stipend will improve the Foundation's ability to attract the best and brightest students into the science, mathematics, engineering, and technology fields. The Committee also urges NSF to increase the GRF program to 900 for the next competition. The Committee also provides an increase of $7,500,000 to the Graduate Teaching Fellows in K–12 Education program, raising the program level to $15,000,000 for fiscal year 2002. While this level is below the President's requested level of $28,000,000, the Committee believes that it is difficult to justify a substantial increase to a program that has only been in place for a year and whose performance has not been assessed.

SALARIES AND EXPENSES

Appropriations, 2000	$148,900,000
Budget estimate, 2001	157,890,000
House allowance	152,000,000
Committee recommendation	170,890,000

PROGRAM DESCRIPTION

The salaries and expenses appropriation provides for the operation, management, and direction of all Foundation programs and activities and includes necessary funds to develop and coordinate NSF programs.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $170,890,000 for salaries and expenses. The increase of $13,000,000 above the budget request is for travel expenses that the administration had proposed to fund out of its R&RA and EHR accounts instead of salaries and expenses. Accordingly, the Committee directs NSF to fund travel only from this account and not to use other account funds for travel purposes.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2000	$5,450,000
Budget estimate, 2001	6,280,000
House allowance	5,700,000
Committee recommendation	6,280,000

PROGRAM DESCRIPTION

The Office of Inspector General appropriation provides audit and investigation functions to identify and correct deficiencies which could create potential instances of fraud, waste, or mismanagement.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $6,280,000 for the Office of Inspector General. This amount is $830,000 more than the fiscal year 2000 enacted level and equal to the budget request.

NEIGHBORHOOD REINVESTMENT CORPORATION

Appropriations, 2000	$74,715,000
Budget estimate, 2001	90,000,000
House allowance	90,000,000
Committee recommendation	80,000,000

PROGRAM DESCRIPTION

The Neighborhood Reinvestment Corporation was created by the Neighborhood Reinvestment Corporation Act (title VI of the Housing and Community Development Amendments of 1978, Public Law 95–557, October 31, 1978). Neighborhood Reinvestment helps local communities establish working partnerships between residents and representatives of the public and private sectors. The partnership-based organizations are independent, tax-exempt, nonprofit entities: often known as Neighborhood Housing Services [NHS] or mutual housing associations. Collectively, these organizations are known as the NeighborWorks® network.

Nationally, over 200 NeighborWorks® organizations serve over 1,000 urban, suburban and rural communities in 48 States and the District of Columbia and Puerto Rico. Of the neighborhoods, 70 percent of the people served are in the very low and low-income brackets.

The NeighborWorks® network improves the quality of life in distressed neighborhoods for current residents, increases homeownership through targeted lending efforts, exerts a long-term, stabilizing influence on the neighborhood business environment, and reverses neighborhood decline. NeighborWorks® organizations have been positively impacting urban communities for over two decades, and more recent experience is demonstrating the success of this approach in rural communities when adequate resources are available.

Neighborhood Reinvestment will continue to provide grants to Neighborhood Housing Services of America [NHSA], the NeighborWorks® network's national secondary market. The mission of NHSA is to utilize private sector support to replenish local NeighborWorks® organizations' revolving loan funds. These loans are used to back securities which are placed with private sector social investors.

COMMITTEE RECOMMENDATION

The Committee recommends $80,000,000 for the Neighborhood Reinvestment Corporation, $10,000,000 less than the budget request and $5,285,000 more than the fiscal year 2000 enacted level.

The Committee recognizes the important work of the Corporation in assisting low-income families attain homeownership with the support of public and private resources. The Committee is especially supportive of the efforts of the Corporation and the NeighborWorks organization in providing homeownership counseling, participating in a pilot program to assist section 8 voucher holders attain homeownership, and educating potential homebuyers on various lending products. Due to the Committee's concerns about the growing problems of predatory lenders on low-income people and communities, the Committee encourages NRC and its network organizations to expand its education and counseling programs in impacted areas such as Baltimore, Maryland; Los Angeles, California; and Chicago, Illinois.

The Committee is also concerned about the shortage of available, affordable rental housing across the nation. The Corporation has been successfully using a mixed-income affordable rental housing through the use of "mutual housing" models. As of June 30, 1999, the Corporation through its mutual housing associations had created over 5,600 affordable rental units. The Committee encourages NRC to increase the number of affordable housing units through this model and to devise a 5-year strategy on expanding this model across the Nation. This strategy should be included in the fiscal year 2002 budget justifications for the Corporation.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriations, 2000	$23,909,000
Budget estimate, 2001	24,480,000
House allowance	23,000,000
Committee recommendation	24,480,000

PROGRAM DESCRIPTION

The Selective Service System [SSS] was reestablished by the Selective Service Act of 1948. The basic mission of the System is to be prepared to supply manpower to the Armed Forces adequate to ensure the security of the United States during a time of national emergency. Since 1973, the Armed Forces have relied on volunteers to fill military manpower requirements. However, the Selective Service System remains the primary vehicle by which men will be brought into the military if Congress and the President should authorize a return to the draft.

In December 1987, Selective Service was tasked by law (Public Law 100–180, sec. 715) to develop plans for a postmobilization health care personnel delivery system capable of providing the necessary critically skilled health care personnel to the Armed Forces in time of emergency. An automated system capable of handling mass registration and inductions is now complete, together with necessary draft legislation, a draft Presidential proclamation, prototype forms and letters, et cetera. These products will be available should the need arise. The development of supplemental standby products, such as a compliance system for health care personnel, continues using very limited existing resources.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of $24,480,000 for the Selective Service System. This amount is the same as the budget request for fiscal year 2001 and an increase of $571,000 over the fiscal year 2000 enacted level.

TITLE IV—GENERAL PROVISIONS

The Committee recommends inclusion of 25 general provisions previously enacted in the 2000 appropriations act. They are largely standard limitations which have been carried in the VA, HUD, and Independent Agencies appropriations bill in the past.

DIVISION B—THE HOUSING NEEDS ACT OF 2000

TITLE I—PRODUCTION OF NEW HOUSING FOR LOW AND VERY LOW-INCOME FAMILIES

Establishes a $1,000,000,000 block grant program that would allocate funds to State housing finance agencies on a per capita basis according to the population of the State.

Allows funds to be used for acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing; permits funds to be used for rehabilitation needs and preservation of existing assisted low-income housing (although no more than 20 percent of the funds can be used for rehabilitation and preservation); allows conversion of existing housing to housing for the elderly or for persons with disabilities.

Requires States to meet a 75 percent matching requirement to ensure accountability and to leverage additional funds.

Requires housing developed to be low- and mixed-income housing with at least 30 percent of the units targeted to very low-income families; sets rents in a manner modeled after the low-income tax credit program only with deeper targeting where a unit rent would be 20 percent of the adjusted income of a family whose income equals 50 percent of the median income for an area. All assisted units must be targeted to low-income families.

Establishes a new multifamily risk-sharing mortgage insurance program to underwrite housing produced under this title.

TITLE II—SECTION 8 SUCCESS PROGRAM

Allows public housing authorities to increase their payment standard for assisted rents under section 8 up to 150 percent of the existing fair market rent or payment standard. Will ensure that families can find housing using vouchers.

Applies to tight rental markets throughout the country, including rural and urban areas, and any rent change would be subject to the approval of a plan by HUD that includes proactive actions by PHAs to help tenants with vouchers. This reform should be especially helpful to tight rental markets, such as San Francisco, Cambridge, MA and Philadelphia, PA.

Limits funds to those held by the PHA under the existing program; thus would not cost more but would allow flexibility to ensure that vouchers could be used to find housing.

TITLE III—PRESERVATION OF LOW-INCOME HOUSING

Raises the amount of section 8 project-based assistance that a PHA can create from 15 percent to 25 percent of available section 8 assistance, with expedited procedures. This will allow more project-based section 8 housing to help seniors and persons with disabilities, in particular.

Requires HUD to maintain section 8 assistance on all HUD-held and HUD foreclosed multifamily housing. Many elderly and persons with disabilities have been displaced by HUD since HUD provides vouchers to residents upon the disposition of a property. Thus these people can stay in their homes.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI, OF THE STANDING RULES OF THE SENATE

Paragraph 7 of Rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Fair housing activities: $44,000,000.
HOME Investment Partnerships Program: $1,600,000,000.
Homeless assistance grants: $1,020,000,000.
Community development block grants: $4,800,000,000.
Rural housing and economic development: $27,000,000.

DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund: $95,000,000.

CONSUMER PRODUCT SAFETY COMMISSION

Salaries and expenses: $52,500,000.

ENVIRONMENTAL PROTECTION AGENCY

Environmental programs and management: $2,000,000,000.
Science and technology: $670,000,000.
State and tribal assistance grants: $3,320,000,000.
Superfund: $1,400,000,000.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Salaries and expenses: $215,000,000.
Emergency management planning and assistance: $269,652,000.
Emergency food and shelter: $110,000,000.

GENERAL SERVICES ADMINISTRATION

Consumer Information Center: $7,122,000.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Human space flight: $5,400,000,000.
Science, aeronautics, and technology: $5,837,000,000.
Mission support: $2,584,000,000.

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered reported, H.R. 4635, the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies appropriations bill, 2001 and subject to amendment and subject to its budget allocations, by a recorded vote of 27–1, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Stevens	Mr. Kyl
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. Gorton	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Craig	
Mrs. Hutchison	
Mr. Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Lautenberg	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

TITLE 42—THE PUBLIC HEALTH AND WELFARE

*   *   *   *   *   *   *

CHAPTER 85—AIR POLLUTION PREVENTION AND CONTROL

SUBCHAPTER I—PROGRAMS AND ACTIVITIES

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PART D—PLAN REQUIREMENTS FOR NONATTAINMENT AREAS

SUBPART 1—NONATTAINMENT AREAS IN GENERAL

* * * * * * *

§ 7506. Limitations on certain Federal assistance

(a) * * *

(c) Activities not conforming to approved or promulgated plans

(1) * * *
(5) * * *

* * * * * * *

(6) Notwithstanding paragraph 5, this subsection shall not apply with respect to an area designated nonattainment under section 107(d)(1) until one year after that area is first designated nonattainment for a specific national ambient air quality standard. This paragraph only applies with respect to the national ambient air quality standard for which an area is newly designated nonattainment and does not affect the area's requirements with respect to all other national ambient air quality standards for which the area is designated nonattainment or has been redesignated from nonattainment to attainment with a maintenance plan pursuant to section 175(A) (including any pre-existing national ambient air quality standard for a pollutant for which a new or revised standard has been issued).

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UNITED STATES HOUSING ACT OF 1937

TITLE I—GENERAL PROGRAM OF ASSISTED HOUSING

* * * * * * *

SEC. 9. PUBLIC HOUSING CAPITAL AND OPERATING FUNDS.

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(a) * * *

* * * * * * *

(d) * * *
(1) * * *
(E) management improvements*, including the establishment and initial operation of computer centers in and around public housing through a Neighborhood Networks initiative, for the purpose of enhancing the self-sufficiency, employability, and economic self-reliance of public housing*

residents by providing them with onsite computer access and training resources;

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(e) * *

(1) * * *

(A) * * *

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(I) the costs of repaying, together with rent contributions, debt incurred to finance the rehabilitation and development of public housing units, which shall be subject to such reasonable requirements as the Secretary may establish; ⟦and⟧

(J) the costs associated with the operation and management of mixed finance projects, to the extent appropriate⟦.⟧*; and*

(K) the costs of operating computer centers in public housing through a Neighborhood Networks initiative described in subsection (d)(1)(E), and of activities related to that initiative.

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(h) * * *

(1) * * *

(6) training and technical assistance to assist in the oversight and management of public housing or tenant-based assistance; ⟦and⟧

(7) clearinghouse services in furtherance of the goals and activities of this subsection⟦.⟧*; and*

(8) assistance in connection with the establishment and operation of computer centers in public housing through a Neighborhood Networks initiative described in subsection (d)(1)(E).

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SEC. 24. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND TENANT-BASED ASSISTANCE GRANTS FOR PROJECTS.

(a) * * *

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(d) * * *

(1) * * *

(A) * * *

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(G) economic development activities that promote the economic self-sufficiency of residents under the revitalization program*, including a Neighborhood Networks initiative for the establishment and operation of computer centers in public housing for the purpose of enhancing the self-sufficiency, employability, an economic self-reliance of public housing residents by providing them with onsite computer access and training resources*;

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(m) * * *

(1) * * *

(2) TECHNICAL ASSISTANCE AND PROGRAM OVERSIGHT.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use up to 2 percent for technical assistance or contract expertise*, including assistance in connection with the establishment and operation of computer centers in public housing through the Neighborhoods Networks initiative described in subsection (d)(1)(G)*. Such assistance or contract expertise may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of public housing agencies, and of residents.

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NATIONAL FLOOD INSURANCE ACT OF 1968

TITLE XIII—NATIONAL FLOOD INSURANCE

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CHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM

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FINANCING

SEC. 1309. (a) All authority which was vested in the Housing and Home Finance Administrator by virtue of section 15(e) of the Federal Flood Insurance Act of 1956 (70 Stat. 1084) (pertaining to the issue of notes or other obligations or the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Director for the purpose of carrying out the flood insurance program under this title; except that the total amount of notes and obligations which may be issued by the Director pursuant to such authority (1) without the approval of the President, may not exceed $500,000,000, and (2) with the approval of the President, may not exceed $1,500,000,000 through September 30, 【2000】 *2001*, and $1,000,000,000 thereafter. The Director shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at any time when he requests the approval of the President in accordance with the preceding sentence.

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SEC. 1376. (a) * * *

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(c) There are authorized to be appropriated such sums as may be necessary through 【September 30, 2000】 *September 30, 2001*, for studies under this title.

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NATIONAL AERONAUTICS AND SPACE ACT OF 1958

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TITLE III—MISCELLANEOUS

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SEC. 311. * * *

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SEC. 312. (a) Appropriations for the Administration for fiscal year 2002 and thereafter shall be made in accounts, "Human space flight", "International space station", "Science, aeronautics and technology", and an account for amounts appropriated for the necessary expenses of the Office of Inspector General. Appropriations shall remain available for two fiscal years. Each account shall include the planned full costs of the Administration's related activities.

(b) The Administrator shall notify the Committees on Appropriations whenever any program or activity exceeds fifteen percent of the annual or total budget of such program or activity.

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AIDS HOUSING OPPORTUNITY ACT

SEC. 856. RESPONSIBILITIES OF GRANTEES.

(a) * * *

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(h) ENVIRONMENTAL REVIEW.—For purposes of environmental review, a grant under this subtitle shall be treated as assistance for a special project that is subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, and shall be subject to the regulations issued by the Secretary to implement such section.

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NATIONAL HOUSING ACT

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TITLE I—HOUSING RENOVATION AND MODERNIZATION

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TITLE II—MORTGAGE INSURANCE

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FEDERAL HOUSING ADMINISTRATION OPERATIONS

SEC. 202. (a) * * *

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(c) MORTGAGEE REVIEW BOARD.—

(1) ESTABLISHMENT.—There is established within the Federal Housing Administration the Mortgagee Review Board ("Board"). The Board is empowered to initiate the issuance of a letter of reprimand, the probation, suspension or withdrawal of any mortgagee found to be engaging in activities in violation

of Federal Housing Administration requirements or the nondiscrimination requirements of the Equal Credit Opportunity Act, the Fair Housing Act, or Executive Order 11063.

(2) COMPOSITION.—The Board shall consist of—

(A) the Assistant Secretary of Housing/Federal Housing Commissioner;

(B) the General Counsel of the Department;

(C) the President of the Government National Mortgage Association;

(D) the Assistant Secretary for Administration;

(E) the Assistant Secretary for Fair Housing Enforcement (in cases involving violations of nondiscrimination requirements); ⟦and⟧

(F) the Chief Financial Officer of the Department;

⟦or their designees.⟧ *and*

(G) the Director of the Enforcement Center; or their designees.

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INSURANCE OF MORTGAGES

SEC. 203. (a) * * *

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(b) * * *

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(10) * * *

(11) REDUCED DOWNPAYMENT REQUIREMENTS FOR TEACHERS AND UNIFORMED MUNICIPAL EMPLOYEES—

(A) IN GENERAL.—Notwithstanding the downpayment requirements contained in paragraph (2), in the case of a mortgage described in subparagraph (B)—

(i) the mortgage shall involve a principal obligation in an amount that does not exceed the sum of 99 percent of the appraised value of the property and the total amount of initial service charges, appraisal, inspection, and other fees (as the Secretary shall approve) paid in connection with the mortgage;

(ii) no other provision of this subsection limiting the principal obligation of the mortgage based upon a percentage of the appraised value of the property subject to the mortgage shall apply; and

(iii) the matter in paragraph (9) that precedes the first proviso shall not apply and the mortgage shall be executed by a mortgagor who shall have paid on account of the property at least 1 percent of the cost of acquisition (as determined by the Secretary) in cash or its equivalent.

(B) MORTGAGES COVERED.—A mortgage described in this subparagraph is a mortgage—

(i) under which the mortgagor is an individual who—

(I) is employed on a full-time basis as: (aa) a teacher or administrator in a public or private

school that provides elementary or secondary education, as determined under State law, except that elementary education shall include pre-Kindergarten education, and except that secondary education shall not include any education beyond grade 12; or (bb) a public safety officer (as such term is defined in section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968, except that such term shall not include any officer serving a public agency of the Federal Government); and

(II) has not, during the 12-month period ending upon the insurance of the mortgage, had any present ownership interest in a principal residence located in the jurisdiction described in clause (ii); and

(ii) made for a property that is located within the jurisdiction of—

(I) in the case of a mortgage of a mortgagor described in clause (i)(I)(aa), the local educational agency (as such term is defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) for the school in which the mortgagor is employed (or, in the case of a mortgagor employed in a private school, the local educational agency having jurisdiction for the area in which the private school is located); or

(II) in the case of a mortgage of a mortgagor described in clause (i)(I)(bb), the jurisdiction served by the public law enforcement agency, firefighting agency, or rescue or ambulance agency that employs the mortgagor.

(c)(1) * * *

(2) ⟦Notwithstanding⟧ *Except as provided in paragraph (3) and notwithstanding* any other provision of this section, each mortgage secured by a 1- to 4-family dwelling and executed on or after October 1, 1994, that is an obligation of the Mutual Mortgage Insurance Fund or of the General Insurance Fund pursuant to subsection (v), shall be subject to the following requirements:

* * * * * * *

(3) DEFERRAL AND REDUCTION OF UP-FRONT PREMIUM.—In the case of any mortgage described in subsection (b)(10)(B):

(A) Paragraph (2)(A) of this subsection (relating to collection of up-front premium payments) shall not apply.

(B) If, at any time during the 5-year period beginning on the date of the insurance of the mortgage, the mortgagor ceases to be employed as described in subsection (b)(10)(B)(i)(I) or pays the principal obligation of the mortgage in full, the Secretary shall at such time collect a single premium payment in an amount equal to the amount of the single premium payment that, but for this paragraph, would have been required under paragraph (2)(A) of this subsection with respect to the mortgage, as reduced by 20 percent of such amount for each successive 12-month period

completed during such 5-year period before such cessation or prepayment occurs.

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【(s)】*(t)*(1) Each mortgagee (or servicer) with respect to a mortgage under this section shall provide each mortgagor of such mortgagee (or servicer) written notice, not less than annually, containing a statement of the amount outstanding for prepayment of the principal amount of the mortgage and describing any requirements the mortgagor must fulfill to prevent the accrual of any interest on such principal amount after the date of any prepayment. This paragraph shall apply to any insured mortgage outstanding on or after the expiration of the 90-day period beginning on the date of effectiveness of final regulations implementing this paragraph.

(2) Each mortgagee (or servicer) with respect to a mortgage under this section shall, at or before closing with respect to any such mortgage, provide the mortgagor with written notice (in such form as the Secretary shall prescribe, by regulation, before the expiration of the 90-day period beginning upon the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act) describing any requirements the mortgagor must fulfill upon prepayment of the principal amount of the mortgage to prevent the accrual of any interest on the principal amount after the date of such prepayment. This paragraph shall apply to any mortgage executed after the expiration of the period under paragraph (1).

【(t)】*(u)*(1) No mortgagee may make or hold mortgages insured under this section if the customary lending practices of the mortgagee, as determined by the Secretary pursuant to section 539, provide for a variation in mortgage charge rates that exceeds 2 percent for insured mortgages made by the mortgagee on dwellings located within an area. The Secretary shall ensure that any permissible variations in the mortgage charge rates of any mortgagee are based only on actual variations in fees or costs to the mortgagee to make the loan.

(2) For purposes of this subsection—

(A) the term "area" shall have the meaning given the term under subsection (b)(2);

(B) the term "mortgage charges" includes the interest rate, discount points, loan origination fee, and any other amount charged to a mortgagor with respect to an insured mortgage; and

(C) the term "mortgage charge rate" means the amount of mortgage charges for an insured mortgage expressed as a percentage of the initial principal amount of the mortgage.

(v) Notwithstanding section 202 of this title, the insurance of a mortgage under this section in connection with the assistance provided under section 8(y) of the United States Housing Act of 1937 shall be the obligation of the General Insurance Fund created pursuant to section 519 of this title. The provisions of subsections (a) through (h), (j), and (k) of section 204 shall apply to such mortgages, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund, and (2) any excess amounts described in section 204(f)(1) shall be retained by the Secretary and credited to the General Insurance Fund.

[(v)] *(w)* ANNUAL REPORT.—The Secretary of Housing and Urban Development shall submit to the Congress an annual report on the single family mortgage insurance program under this section. Each report shall set forth—

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(x) MANAGEMENT DEFICIENCIES REPORT.—

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HOUSING FOR MODERATE INCOME AND DISPLACED FAMILIES

SEC. 221. (a) * * *

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(g) * * *

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(1) * * *

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(4)(A) * * *

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(C)(i) * * *

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(viii) This subparagraph shall not apply after December 31, 2002*, except that this subparagraph shall continue to apply if the Secretary receives a mortgagee's written notice of intent to assign its mortgage to the Secretary on or before such date*. Not later than January 31 of each year (beginning in 1992), the Secretary shall submit to the Congress a report including statements of the number of mortgages auctioned and sold and their value, the amount of subsidies committed to the program under this subparagraph, the ability of the Secretary to coordinate the program with the incentives provided under the Emergency Low Income Housing Preservation Act of 1987 or subsequent Act, and the costs and benefits derived from the program for the Federal Government.

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SEC. 236. * * *

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(g)(1) * * *

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(3) * * *

(A) during fiscal year [2000] *2001*, to all project owners collecting such excess charges; and

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STEWART B. McKINNEY HOMELESS ASSISTANCE ACT

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TITLE IV—HOUSING ASSISTANCE

*   *   *   *   *   *   *

Subtitle E—Miscellaneous Programs

*   *   *   *   *   *   *

[SEC. 443. ADMINISTRATIVE PROVISIONS.

[The provisions of, and regulations and procedures applicable under, section 104(g) of the Housing and Community Development Act of 1974 shall apply to assistance and projects under this title.]

SEC. 443. ENVIRONMENTAL REVIEW.

For purposes of environmental review, assistance and projects under this title shall be treated as assistance for special projects that are subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, and shall be subject to the regulations issued by the Secretary to implement such section.

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UNITED STATES HOUSING ACT OF 1937

TITLE I—GENERAL PROGRAM OF ASSISTED HOUSING

*   *   *   *   *   *   *

LOWER INCOME HOUSING ASSISTANCE

SEC. 8. (a) * * *

*   *   *   *   *   *   *

(o) VOUCHER PROGRAM.—
(1) * * *

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(13) PHA PROJECT-BASED ASSISTANCE.—

(A) IN GENERAL.—If the Secretary enters into an annual contributions contract under this subsection with a public housing agency pursuant to which the public housing agency will enter into a housing assistance payment contract with respect to an existing structure under this subsection—

(i) the housing assistance payment contract may not be attached to the structure unless the owner agrees to rehabilitate or newly construct the structure other than with assistance under this Act, and otherwise complies with this section; and

(ii) the public housing agency may approve a housing assistance payment contract for such existing structures for not more than [15 percent] *25 percent* of the funding available for tenant-based assistance administered by the public housing agency under this section.

(B) * * *

*   *   *   *   *   *   *

(D) ADJUSTED RENTS.—With respect to rents adjusted under this paragraph—

(i) the adjusted rent for any unit shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market; and

(ii) the provisions of subsection (c)(2)(C) shall not apply.

(E) The Secretary shall establish expedited procedures to allow public housing agencies to enter into housing assistance payment contracts with respect to existing structures.

* * * * * * *

(x) FAMILY UNIFICATION.—

(1) * * *

(2) USE OF FUNDS.—The amounts made available under this subsection shall be used only in connection with tenant-based assistance under section 8 on behalf of ❲any family (A) who is otherwise eligible for such assistance, and (B)❳ *(A) any family (i) who is otherwise eligible for such assistance, and (ii)* who the public child welfare agency for the jurisdiction has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child or children in out-of-home care or the delayed discharge of a child or children to the family from out-of-home care*, and (B) for a period not to exceed 18 months, youths who have attained at least 18 years of age and not more than 21 years of age and who have left foster care at age 16 or older*.

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HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

TITLE I—COMMUNITY DEVELOPMENT

FINDINGS AND PURPOSE

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SEC. 102. (a) * * *

(1) * * *

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(6)(A) * * *

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(E) * * *

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(F) Notwithstanding any other provision of this paragraph, any county that was classified as an urban county pursuant to subparagraph (A) for fiscal year 1999, at the option of the county, may hereafter remain classified as an urban county for purposes of this Act.

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HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1992

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TITLE V—HUD MULTIFAMILY HOUSING REFORM

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SUBTITLE C—ENFORCEMENT PROVISIONS

* * * * * * *

SEC. 542. MULTIFAMILY MORTGAGE CREDIT ⟦DEMONSTRATIONS⟧ *PROGRAMS*.

(a) IN GENERAL.—The Secretary of Housing and Urban Development (hereinafter referred to as the 'Secretary') shall carry out programs through the Federal Housing Administration to ⟦demonstrate the effectiveness of providing⟧ *provide* new forms of Federal credit enhancement for multifamily loans. In carrying out ⟦demonstration⟧ programs, the Secretary shall include an evaluation of the effectiveness of entering into partnerships or other contractual arrangements including reinsurance and risk-sharing agreements with State or local housing finance agencies, the Federal Housing Finance Board, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified financial institutions, and other State or local mortgage insurance companies or bank lending consortia.

(b) RISK-SHARING ⟦PILOT⟧ PROGRAM.—

(1) IN GENERAL.—The Secretary shall carry out a ⟦pilot⟧ program through the Federal Housing Administration to ⟦determine the effectiveness of⟧ *provide* for risk sharing related to mortgages on multifamily housing.

(2) AUTHORITY FOR REINSURANCE AGREEMENTS.—The Secretary may enter into reinsurance agreements (as such term is defined in section 544) with the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, qualified financial institutions, qualified housing finance agencies, and the Federal Housing Finance Board. The agreements may provide for risk-sharing and other forms of credit enhancement with respect to mortgage lending on multifamily housing, including reinsurance with respect to pools of loans on multifamily housing properties, that the Secretary determines to be appropriate to carry out the purposes of this subsection. The agreements shall be in a form and have such terms and conditions as the Secretary determines to be appropriate to carry out the purposes of this subsection.

(3) DEVELOPMENT OF ALTERNATIVES.—The Secretary shall develop and assess a variety of risk-sharing alternatives, including arrangements under which the Secretary assumes an appropriate share of the risk related to long-term mortgage loans on newly constructed or acquired multifamily rental housing, mortgage refinancings, bridge financing for construction, and other forms of multifamily housing mortgage lending that the Secretary deems appropriate to carry out the purposes of this subsection. Such alternatives shall be designed—

(A) to ensure that other parties bear a share of the risk, in percentage amount and in position of exposure, that is sufficient to create strong, market-oriented incentives for other participating parties to maintain sound underwriting and loan management practices;

(B) to develop credit mechanisms, including sound underwriting criteria, processing methods, and credit enhancements, through which resources of the Federal Housing Administration can assist in increasing multifamily housing lending as needed to meet the expected need in the United States;

(C) to provide a more adequate supply of mortgage credit for sound multifamily rental housing projects in underserved urban and rural markets;

(D) to encourage major financial institutions to expand their participation in mortgage lending for sound multifamily housing, through means such as mitigating uncertainties regarding actions of the Federal Government (including the possible failure to renew short-term subsidy contracts);

(E) to increase the efficiency, and lower the costs to the Federal Government, of processing and servicing multifamily housing mortgage loans insured by the Federal Housing Administration; and

(F) to improve the quality and expertise of Federal Housing Administration staff and other resources, as required for sound management of reinsurance and other market-oriented forms of credit enhancement.

(4) ELIGIBILITY STANDARDS.—The Secretary shall establish and enforce standards for financial institutions and entities to be eligible to enter into reinsurance agreements under this subsection, as the Secretary determines to be appropriate.

[(5) FUNDING.—Using any authority provided in appropriation Acts to insure loans under the National Housing Act, the Secretary may enter into commitments under this subsection for risk sharing with respect to mortgages on not more than 15,000 units over fiscal years 1993 and 1994. The demonstration authorized under this subsection shall not be expanded until the reports required under subsection (d) are submitted to Congress.]

(5) INSURANCE AUTHORITY.—Using any authority provided in appropriation Acts to insure mortgages under the National Housing Act, the Secretary may enter into commitments under this subsection for risk-sharing units.

(6) FEES.—The Secretary shall establish and collect premiums and fees under this subsection as the Secretary determines appropriate to (A) achieve the purpose of this subsection, and (B) compensate the Federal Housing Administration for the risks assumed and related administrative costs.

(7) NON-FEDERAL PARTICIPATION.—The Secretary shall carry out this subsection, to the maximum extent practicable, with the participation of well-established residential mortgage originators, financial institutions that invest in multifamily housing mortgages, multifamily housing sponsors, and such other private sector experts in multifamily housing finance as the Secretary determines to be appropriate.

(8) TIMING.—The Secretary shall take any administrative actions necessary to initiate the [pilot] program under this

subsection not later than the expiration of the 8-month period beginning on the date of the enactment of this Act.

(c) HOUSING FINANCE AGENCY [PILOT] PROGRAM.—

(1) IN GENERAL.—The Secretary shall carry out a specific [pilot] program in conjunction with qualified housing finance agencies to [test the effectiveness of] *provide* Federal credit enhancement for loans for affordable multifamily housing through a system of risk-sharing agreements with such agencies.

(2) [PILOT] PROGRAM REQUIREMENTS.—

(A) IN GENERAL.—In carrying out the [pilot] program authorized under this subsection, the Secretary shall enter into risk-sharing agreements with qualified housing finance agencies.

(B) MORTGAGE INSURANCE.—Agreements under subparagraph (A) shall provide for full mortgage insurance through the Federal Housing Administration of the loans for affordable multifamily housing originated by or through qualified housing finance agencies and for reimbursement to the Secretary by such agencies for either all or a portion of the losses incurred on the loans insured.

(C) RISK APPORTIONMENT.—Agreements entered into under this subsection between the Secretary and a qualified housing finance agency shall specify the percentage of loss that each of the parties to the agreement will assume in the event of default of the insured multifamily mortgage. Such agreements shall specify that the qualified housing finance agency and the Secretary shall share equally the full amount of any loss on the insured mortgage.

(D) REIMBURSEMENT CAPACITY.—Agreements entered into under this subsection between the Secretary and a qualified housing finance agency shall provide evidence of the capacity of such agency to fulfill any reimbursement obligations made pursuant to this subsection. Evidence of such capacity may include--

(i) a pledge of the full faith and credit of a qualified State or local agency to fulfill any obligations entered into by the qualified housing finance agency;

(ii) reserves pledged or otherwise restricted by the qualified housing finance agency in an amount equal to an agreed upon percentage of the loss assumed by the housing finance agency under subparagraph (C);

(iii) funds pledged through a State or local guarantee fund; or

(iv) any other form of evidence mutually agreed upon by the Secretary and the qualified housing finance agency.

(E) UNDERWRITING STANDARDS.—The Secretary shall allow any qualified housing finance agency to use its own underwriting standards and loan terms and conditions for purposes of underwriting loans to be insured under this subsection without further review by the Secretary, except that the Secretary may impose additional underwriting criteria and loan terms and conditions for contractual agreements where the Secretary retains more than 50 percent of the risk of loss.

(3) MORTGAGE INSURANCE PREMIUMS.—The Secretary shall establish a schedule of insurance premium payments for mortgages insured under this subsection based on the percentage of loss the Secretary may assume. Such schedule shall reflect lower or nominal premiums for qualified housing finance agencies that assume a greater share of the risk apportioned according to paragraph (2)(C).

【(4) LIMITATION ON INSURANCE AUTHORITY.—Using any authority provided by appropriations Acts to insure mortgages under the National Housing Act, the Secretary may enter into commitments under this subsection with respect to mortgages on not to exceed 30,000 units over fiscal years 1993, 1994, and 1995. The demonstration authorized under this subsection shall not be expanded until the reports required under subsection (d) are submitted to the Congress.】

(4) INSURANCE AUTHORITY.—Using any authority provided in appropriation Acts to insure mortgages under the National Housing Act, the Secretary may enter into commitments under this subsection for risk-sharing units.

(5) IDENTITY OF INTEREST.—Notwithstanding any other provision of law, the Secretary shall not apply identity of interest provisions to agreements entered into with qualified State housing finance agencies under this subsection.

(6) PROHIBITION ON GINNIE MAE SECURITIZATION.—The Government National Mortgage Association shall not securitize any multifamily loans insured under this subsection.

(7) QUALIFICATION AS AFFORDABLE HOUSING.—Multifamily housing securing loans insured under this subsection shall qualify as affordable only if the housing is occupied by very low-income families and bears rents not greater than the gross rent for rent-restricted residential units as determined under section 42(g)(2) of the Internal Revenue Code of 1986.

(8) REGULATIONS.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue such regulations as may be necessary to carry out this subsection.

【(d) INDEPENDENT STUDIES AND REPORTS.—

【(1) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—The Federal National Mortgage Association, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

【(2) FEDERAL HOME LOAN MORTGAGE CORPORATION.—The Federal Home Loan Mortgage Corporation, in consultation with representatives of its seller-servicers and State housing finance agencies, shall carry out an independent assessment of alternative methods for achieving the purposes of this section and shall submit a report containing any findings and recommendations, including any recommendations for legislative or administrative action, simultaneously to the Secretary and the Congress not later than 12 months after the date of the enactment of this Act.

[(3) SECRETARY.—The Secretary shall submit to the Congress, and publish, reports under this paragraph assessing the activities carried out under each of the pilot programs. The Secretary shall submit and publish a preliminary report under this paragraph not later than 9 months after the date of the implementation of each of the pilot programs, and a final report not later than 24 months after the date of implementation on which the pilot program is initiated, which shall include any recommendations by the Secretary for legislative changes to achieve the purposes of this section.

[(4) COMPTROLLER GENERAL.—The Comptroller General of the United States shall carry out an evaluation of each of the pilot programs under this section and shall submit to the Congress, not later than 30 months after the date of implementation for each of the pilot programs, a report regarding the evaluation, together with any recommendations for legislative changes to achieve the purposes of this section. The Comptroller General shall also submit to the Congress a report containing a preliminary assessment of the pilot program not later than 18 months after the date of enactment of this Act.

[(5) FEDERAL HOUSING FINANCE BOARD.—The Federal Housing Finance Board shall monitor and assess the activities carried out under the pilot programs under this section. The Federal Housing Finance Board shall submit a preliminary report containing any findings regarding such activities not later than 9 months after the date of the enactment of this Act, and a final report containing such findings not later than 24 months after the date on which the pilot program is initiated, which shall include any recommendations by the Board for legislative changes to achieve the purposes of this section.]

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NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996

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TITLE I—BLOCK GRANTS AND GRANT REQUIREMENTS

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TITLE II—AFFORDABLE HOUSING ACTIVITIES

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SEC. 201. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) * * *

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(b) ELIGIBLE FAMILIES.—

(1) * * *

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(3) NON-INDIAN FAMILIES.—Notwithstanding paragraph (1), a recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this Act for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) LAW ENFORCEMENT OFFICERS.—Notwithstanding paragraph (1), a recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this Act to a law enforcement officer on the reservation or other Indian area, who is employed full-time by a Federal, state, county or tribal government, and in implementing such full-time employment is sworn to uphold, and make arrests for violations of Federal, state, county or tribal law, if the recipient determines that the presence of the law enforcement officer on the Indian reservation or other Indian area may deter crime.

[(4)**]** *(5)* PREFERENCE FOR TRIBAL MEMBERS AND OTHER INDIAN FAMILIES.—The Indian housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this Act on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable Indian housing plan for an Indian tribe provides for preference under this paragraph, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this Act for such tribe are subject to such preference.

[(5)**]** *(6)* EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by federally recognized tribes and the tribally designated housing entities of those tribes under this Act.

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BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 2001: Subcommittee on VA, HUD, and Independent Agencies:				
General purpose, defense discretionary	135	135	132	[1] 132
General purpose, non-defense discretionary	79,983	79,978	85,975	85,971
Mandatory	24,710	24,582	24,438	24,103
Projection of outlays associated with the recommendation:				
2001	....	....	....	[2] 62,398
2002	....	....	....	22,879
2003	....	....	....	8,593
2004	....	....	....	4,511
2005 and future years	....	....	....	4,558
Financial assistance to State and local governments for 2001	NA	28,705	NA	31,976

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
TITLE I							
DEPARTMENT OF VETERANS AFFAIRS							
Veterans Benefits Administration							
Compensation and pensions	21,568,364	22,766,276	22,766,276	22,766,276	+1,197,912		
Readjustment benefits	1,469,000	1,634,000	1,664,000	1,634,000	+165,000		−30,000
Veterans insurance and indemnities	28,670	19,850	19,850	19,850	−8,820		
Veterans housing benefit program fund program account (indefinite)	282,342	165,740	165,740	165,740	−116,602		
(Limitation on direct loans)	(300)	(300)	(300)	(300)			
Administrative expenses	156,958	166,484	161,484	162,000	+5,042	−4,484	+516
Education loan fund program account	1	1	1	1			
(Limitation on direct loans)	(3)	(3)	(3)	(3)			
Administrative expenses	214	220	220	220	+6		
Vocational rehabilitation loans program account	57	52	52	52	−5		
(Limitation on direct loans)	(2,531)	(2,726)	(2,726)	(2,726)	(+195)		
Administrative expenses	415	432	432	432	+17		
Native American Veteran Housing Loan Program Account	520	532	532	532	+12		
Guaranteed Transitional Housing Loans for Homeless Veterans program account	48,250				−48,250		
(Limitation on direct loans)	(100,000)				(−100,000)		
Total, Veterans Benefits Administration	23,554,791	24,753,587	24,778,587	24,749,103	+1,194,312	−4,484	−29,484
Veterans Health Administration							
Medical care	18,026,481	19,381,587	19,354,587	19,381,587	+1,355,106		+27,000
Delayed equipment obligation	900,000	900,000	927,000	900,000			−27,000
(Transfer to general operating expenses)	(−27,907)		(−28,134)	(−27,907)		(−27,907)	(+227)
(Transfer to Parking revolving fund)				(−2,000)	(−2,000)	(−2,000)	(−2,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
Subtotal	18,926,481	20,281,587	20,281,587	20,281,587	+1,355,106		
Medical care cost recovery collections:							
Offsetting receipts	−608,000	−639,000	−639,000	−639,000	−31,000		
Appropriations (indefinite)	608,000	639,000	639,000	639,000	+31,000		
Total available	(608,000)	(639,000)	(639,000)	(639,000)	(+31,000)		
Medical and prosthetic research	321,000	321,000	351,000	331,000	+10,000	+10,000	−20,000
Medical administration and miscellaneous operating expenses	59,703	64,884	62,000	62,000	+2,297	−2,884	
General Post Fund, National Homes:							
Loan program account (by transfer)	(7)				(−7)		
(Limitation on direct loans)	(70)				(−70)		
Administrative expenses (by transfer)	(54)				(−54)		
General post fund (transfer out)	(−61)				(+61)		
Total, Veterans Health Administration	19,307,184	20,667,471	20,694,587	20,674,587	+1,367,403	+7,116	−20,000
Departmental Administration							
General operating expenses	912,594	1,061,854	1,006,000	1,050,000	+137,406	−11,854	+44,000
Offsetting receipts	(36,754)	(36,520)	(36,520)	(36,520)	(−234)		
Total, Program Level	(949,348)	(1,098,374)	(1,042,520)	(1,086,520)	(+137,172)	(−11,854)	(+44,000)
(Transfer from medical care)	(27,907)		(28,134)	(27,907)		(+27,907)	(−227)
(Transfer from national cemetery)	(117)		(125)	(117)		(+117)	(−8)
(Transfer from inspector general)	(30)		(28)	(30)		(+30)	(+2)
National Cemetery Administration	97,256	109,889	106,889	109,889	+12,633		+3,000
(Transfer to general operating expenses)	(−117)		(−125)	(−117)		(−117)	(+8)
Office of Inspector General	43,200	46,464	46,464	46,464	+3,264		
(Transfer to general operating expenses)	(−30)		(−28)	(−30)		(−30)	(−2)

Construction, major projects	65,140	62,140	62,140	48,540	−16,600	−13,600	−13,600
Construction, minor projects	160,000	162,000	100,000	162,000	+2,000		+62,000
(Transfer to Parking Revolving Fund)				(−4,500)	(−4,500)	(−4,500)	(−4,500)
Grants for construction of State extended care facilities	90,000	60,000	90,000	100,000	+10,000	+40,000	+10,000
Grants for the construction of State veterans cemeteries	25,000	25,000	25,000	25,000			
(Transfer to Parking Revolving Fund)				(6,500)	(+6,500)	(+6,500)	(+6,500)
Total, Departmental Administration	1,393,190	1,527,347	1,436,493	1,541,893	+148,703	+14,546	+105,400
Total, title I, Department of Veterans Affairs	44,255,165	46,948,405	46,909,667	46,965,583	+2,710,418	+17,178	+55,916
Appropriations	(44,255,165)	(46,948,405)	(46,909,667)	(46,965,583)	(+2,710,418)	(+17,178)	(+55,916)
Rescissions							
Contingent emergency appropriations							
(By transfer)	(61)				(−61)		
(Limitation on direct loans)	(102,904)	(3,029)	(3,029)	(3,029)	(−99,875)		
Consisting of:							
Mandatory	(23,396,626)	(24,585,866)	(24,615,866)	(24,585,866)	(+1,189,240)		(−30,000)
Discretionary	(20,858,539)	(22,362,539)	(22,293,801)	(22,379,717)	(+1,521,178)	(+17,178)	(+85,916)
TITLE II							
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT							
Public and Indian Housing							
Housing Certificate Fund	7,104,420	9,927,824	9,075,388	8,971,000	+1,866,580	−956,824	−104,388
(By transfer)	(183,000)				(−183,000)		
Advance appropriation, fiscal year 2001/2002	4,200,000	4,200,000	4,200,000	4,200,000			
Total funding	11,304,420	14,127,824	13,275,388	13,171,000	+1,866,580	−956,824	−104,388
Housing set-asides:							
Expiring section 8 contracts	(10,834,135)	(13,221,824)	(13,275,388)	(13,131,000)	(+2,296,865)	(−90,824)	(−144,388)
Section 8 relocation assistance	(156,000)	(79,000)			(−156,000)	(−79,000)	
Contract administration		(209,000)				(−209,000)	
Incremental vouchers	(346,560)	(527,000)			(−346,560)	(−527,000)	
Housing production program		(66,000)				(−66,000)	
Voucher for disabled	(40,000)	(25,000)		(40,000)		(+15,000)	(+40,000)
Subtotal	(11,376,695)	(14,127,824)	(13,275,388)	(13,171,000)	(+1,794,305)	(−956,824)	(−104,388)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
Rescission of unobligated balances:							
Section 8 recaptures (rescission)	−1,300,000	....	−275,388	−275,000	+1,025,000	−275,000	+388
Section 8 carryover and Tenant Protection (resc)	−943,000	....	....	....	+943,000	....	....
Subtotal	−2,243,000	....	−275,388	−275,000	+1,968,000	−275,000	+388
Public housing capital fund	2,900,000	2,955,000	2,800,000	2,955,000	+55,000	....	+155,000
Public housing operating fund	3,138,000	3,192,000	3,139,000	3,192,000	+54,000	....	+53,000
Subtotal	6,038,000	6,147,000	5,939,000	6,147,000	+109,000	....	+208,000
Drug elimination grants for low-income housing	310,000	345,000	300,000	310,000	....	−35,000	+10,000
Revitalization of severely distressed public housing (HOPE VI)	575,000	625,000	565,000	575,000	....	−50,000	+10,000
Native American housing block grants	620,000	650,000	620,000	650,000	+30,000	....	+30,000
Indian housing loan guarantee fund program account	6,000	6,000	6,000	6,000	....	....	....
(Limitation on guaranteed loans)	(71,956)	(71,956)	(71,956)	(71,956)	....	....	....
Total, Public and Indian Housing	16,610,420	21,900,824	20,430,000	20,584,000	+3,973,580	−1,316,824	+154,000
Community Planning and Development							
Housing opportunities for persons with AIDS	232,000	260,000	250,000	232,000	....	−28,000	−18,000
Rural housing and economic development	25,000	27,000	20,000	27,000	+2,000	....	+7,000
America's private investment companies program:							
(Limitation on guaranteed loans)	(541,000)	(1,000,000)	....	....	(−541,000)	(−1,000,000)	....
Credit subsidy	20,000	37,000	....	....	−20,000	−37,000	....
Urban empowerment zones	55,000	....	....	....	−55,000	....	....
Rural empowerment zones	15,000	....	....	....	−15,000	....	....
Subtotal	70,000	....	....	....	−70,000	....	....
Community development block grants	4,800,000	4,900,000	4,505,000	4,800,000	....	−100,000	+295,000

Section 108 loan guarantees:							
(Limitation on guaranteed loans)	(1,261,000)	(1,217,000)	(1,217,000)	(1,261,000)		(+44,000)	(+44,000)
Credit subsidy	29,000	28,000	28,000	29,000		+1,000	+1,000
Administrative expenses	1,000	2,000	1,000	1,000		−1,000	
Brownfields redevelopment	25,000	50,000	20,000	25,000		−25,000	+5,000
HOME investment partnerships program	1,600,000	1,650,000	1,585,000	1,600,000		−50,000	+15,000
Homeless assistance grants	1,020,000	1,200,000	1,020,000	1,020,000		−180,000	
Shelter Plus Care				105,000	+105,000	+105,000	+105,000
Communities in schools community development program	5,000	5,000			−5,000	−5,000	
Total, Community planning and development	7,827,000	8,159,000	7,429,000	7,839,000	+12,000	−320,000	+410,000
Housing Programs							
Housing for special populations	911,000	989,000	911,000	996,000	+85,000	+7,000	+85,000
Housing for the elderly	(710,000)	(779,000)	(710,000)	(783,000)	(+73,000)	(+4,000)	(+73,000)
Housing for the disabled	(201,000)	(210,000)	(201,000)	(213,000)	(+12,000)	(+3,000)	(+12,000)
Federal Housing Administration							
FHA—Mutual mortgage insurance program account:							
(Limitation on guaranteed loans)	(140,000,000)	(160,000,000)	(160,000,000)	(160,000,000)	(+20,000,000)		
(Limitation on direct loans)	(100,000)	(250,000)	(100,000)	(250,000)	(+150,000)		(+150,000)
Administrative expenses	330,888	330,888	330,888	330,888			
Administrative contract expenses	160,000	160,000	160,000	160,000			
Additional contract expenses	4,000	4,000	4,000	4,000			
Reduced downpayments for teachers/police(Sec 219)				−24,000	−24,000	−24,000	−24,000
FHA—General and special risk program account:							
(Limitation on guaranteed loans)	(18,100,000)	(21,000,000)	(21,000,000)	(21,000,000)	(+2,900,000)		
(Limitation on direct loans)	(50,000)	(50,000)	(50,000)	(50,000)			
Administrative expenses	64,000	211,455	211,455	211,455	+147,455		
Administrative expenses (unobligated balances)	(147,000)				(−147,000)		
Negative subsidy	−75,000	−100,000	−100,000	−100,000	−25,000		
Subsidy		101,000	101,000	101,000	+101,000		
Subsidy (unobligated balances)	(153,000)				(−153,000)		
Non-overhead administrative expenses	144,000	144,000	144,000	144,000			
Additional contract expenses	7,000	7,000	7,000	7,000			
Total, Federal Housing Administration	634,888	858,343	858,343	834,343	+199,455	−24,000	−24,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
Government National Mortgage Association							
Guarantees of mortgage-backed securities loan guarantee program account:							
(Limitation on guaranteed loans)	(200,000,000)	(200,000,000)	(200,000,000)	(200,000,000)			
Administrative expenses	9,383	9,383	9,383	9,383			
Administrative contract expenses		40,000				−40,000	
Offsetting receipts	−422,000	−347,000	−347,000	−347,000	+75,000		
Policy Development and Research							
Research and technology	45,000	62,000	40,000	45,000		−17,000	+5,000
Fair Housing and Equal Opportunity							
Fair housing activities	44,000	50,000	44,000	44,000		−6,000	
Office of Lead Hazard Control							
Lead hazard reduction	80,000	120,000	80,000	100,000	+20,000	−20,000	+20,000
Management and Administration							
Salaries and expenses	477,000	565,000	474,647	473,500	−3,500	−91,500	−1,147
Transfer from:							
Limitation on FHA corporate funds	(518,000)	(518,000)	(518,000)	(518,000)			
GNMA	(9,383)	(9,383)	(9,383)	(9,383)			
Community Planning and Development	(1,000)	(1,000)	(1,000)	(1,000)			
America's Private Investment Companies Program		(1,000)				(−1,000)	
Title VI	(150)	(150)	(150)	(150)			
Indian Housing	(200)	(200)	(200)	(200)			
Total, Salaries and expenses	(1,005,733)	(1,094,733)	(1,003,380)	(1,002,233)	(−3,500)	(−92,500)	(−1,147)
Office of Inspector General	50,657	52,000	50,657	55,500	+4,843	+3,500	+4,843
(By transfer, limitation on FHA corporate funds)	(22,343)	(22,343)	(22,343)	(22,343)			

(By transfer from Drug Elimination Grants)	(10,000)	(10,000)	(10,000)	(10,000)	....	....	....
Total, Office of Inspector General	(83,000)	(84,343)	(83,000)	(87,843)	(+4,843)	(+3,500)	(+4,843)
Office of Federal Housing Enterprise Oversight	19,493	25,800	22,000	22,000	+2,507	−3,800	....
Offsetting receipts	−19,493	−25,800	−22,000	−22,000	−2,507	+3,800	....
Administrative Provisions							
Sec. 208 FHA	−319,000	....	....	....	+319,000	....	....
Annual contribution (transfer out)	(−79,000)	....	....	....	(+79,000)	....	....
Annual contributions (transfer out)	(−104,000)	....	....	....	(+104,000)	....	....
Sec. 212 Rescissions	−74,400	....	....	....	+74,400	....	....
Sec. 214 Moving to Work	5,000	....	....	....	−5,000	....	....
Sec. 222 Excess Income	....	....	....	....	....	....	....
Total, administrative provisions	−00	....	....	....	+388,400	....	....
Total, title II, Department of Housing and Urban Development (net)	25,878,948	32,458,550	29,980,030	30,633,726	+4,754,778	−1,824,824	+653,696
Current year, fiscal year 2001	(21,678,948)	(28,258,550)	(25,780,030)	(26,433,726)	(+4,754,778)	(−1,824,824)	(+653,696)
Appropriations	(23,996,348)	(28,258,550)	(26,055,418)	(26,708,726)	(+2,712,378)	(−1,549,824)	(+653,308)
Rescissions	(−2,317,400)	....	(−275,388)	(−275,000)	(+2,042,400)	(−275,000)	(+388)
Advance appropriation, fiscal year 2001/2002	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	....	....	....
(Limitation on guaranteed loans)	(359,902,000)	(383,217,000)	(382,217,000)	(382,261,000)	(+22,359,000)	(−956,000)	(+44,000)
(Limitation on corporate funds)	(561,076)	(562,076)	(561,076)	(561,076)	....	(−1,000)	....
TITLE III							
INDEPENDENT AGENCIES							
American Battle Monuments Commission							
Salaries and expenses	28,359	26,196	28,000	26,196	−2,163	....	−1,804
Chemical Safety and Hazard Investigation Board							
Salaries and expenses	7,970	8,000	8,000	7,000	−970	−1,000	−1,000
Department of the Treasury							
Community Development Financial Institutions							
Community development financial institutions fund program account	95,000	125,000	105,000	95,000	....	−30,000	−10,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
Consumer Product Safety Commission							
Salaries and expenses	48,814	52,500	51,000	52,500	+3,686	....	+1,500
Corporation for National and Community Service							
National and community service programs operating expenses	433,153	533,700	....	433,500	+347	−100,200	+433,500
Rescission	−80,000	....	....	−50,000	+30,000	−50,000	−50,000
Office of Inspector General	3,985	5,000	5,000	5,000	+1,015	....	....
Total	357,138	538,700	5,000	388,500	+31,362	−150,200	+383,500
Court of Appeals for Veterans Claims							
Salaries and expenses	11,408	12,500	12,500	12,445	+1,037	−55	−55
Department of Defense—Civil							
Cemeterial Expenses, Army							
Salaries and expenses	12,426	15,949	17,949	15,949	+3,523	....	−2,000
Department of Health and Human Services							
National Institute of Health							
National Institute of Environmental Health Sciences	....	....	60,000	....	....	....	−60,000
Public Health Service							
Toxic Substance and Environmental Public Health	....	....	70,000	....	....	....	−70,000
Environmental Protection Agency							
Science and Technology	642,303	674,348	650,000	670,000	+27,697	−4,348	+20,000
Transfer from Hazardous Substance Superfund	38,000	35,871	35,000	38,000	....	+2,129	+3,000

Subtotal, Science and Technology	680,303	710,219	685,000	708,000	+27,697	−2,219	+23,000
Environmental Programs and Management	1,895,267	2,099,461	1,895,000	2,000,000	+104,733	−99,461	+105,000
Office of Inspector General	32,380	34,094	34,000	34,094	+1,714	...	+94
Transfer from Hazardous Substance Superfund	11,000	11,652	11,500	11,000	...	−652	−500
Subtotal, OIG	43,380	45,746	45,500	45,094	+1,714	−652	−406
Buildings and facilities	62,362	23,931	23,931	23,000	−39,362	−931	−931
Hazardous Substance Superfund	1,300,000	1,450,000	1,170,000	1,300,000	...	−150,000	+130,000
Delay of obligation	100,000	...	100,000	100,000	...	+100,000	...
Transfer to Office of Inspector General	−11,000	−11,652	−11,500	−11,000	...	+652	+500
Transfer to Science and Technology	−38,000	−35,871	−35,000	−38,000	...	−2,129	−3,000
Subtotal, Hazardous Substance Superfund	1,351,000	1,402,477	1,223,500	1,351,000	...	−51,477	+127,500
Leaking Underground Storage Tank Program	69,760	72,096	79,000	72,096	+2,336	...	−6,904
Oil spill response	14,974	15,712	15,000	15,000	+26	−712	...
State and Tribal Assistance Grants	2,560,765	1,838,000	2,108,000	2,365,000	−195,765	+527,000	+257,000
Categorical grants	885,000	1,068,957	1,068,957	955,000	+70,000	−113,957	−113,957
Subtotal, STAG	3,445,765	2,906,957	3,176,957	3,320,000	−125,765	+413,043	+143,043
Total, EPA	7,562,811	7,276,599	7,143,888	7,534,190	−28,621	+257,591	+390,302
Executive Office of the President							
Office of Science and Technology Policy	5,089	5,201	5,150	5,201	+112	...	+51
Council on Environmental Quality and Office of Environmental Quality	2,816	3,020	2,900	2,900	+84	−120	...
Total	7,905	8,221	8,050	8,101	+196	−120	+51
Federal Deposit Insurance Corporation							
Office of Inspector General (transfer)	(33,666)	(33,660)	(33,661)	(33,660)	(−6)	...	(−1)
Federal Emergency Management Agency							
Disaster relief	287,584	300,000	300,000	300,000	+12,416	...	...
Emergency funding	...	...	...	...	...	...	...
(Transfer out)	(−2,900)	(−2,900)	(−35,500)	(−2,900)	...	...	(+32,600)
Emergency funding	2,480,425	2,609,220	...	2,609,220	+128,795	...	+2,609,220
Pre-disaster mitigation	...	30,000	...	...	...	−30,000	...
(Transfer out)	...	(−2,600)	...	...	...	(+2,600)	...

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
Disaster assistance direct loan program account:							
State share loan	1,295	1,678	1,295	1,678	+383	....	+383
(Limitation on direct loans)	(25,000)	(25,000)	(19,000)	(25,000)	....	....	(+6,000)
Administrative expenses	420	427	420	427	+7	....	+7
Salaries and expenses	179,950	221,024	190,000	215,000	+35,050	−6,024	+25,000
Office of Inspector General	7,965	8,476	8,015	10,000	+2,035	+1,524	+1,985
Emergency management planning and assistance	266,782	269,652	267,000	269,652	+2,870	....	+2,652
(By transfer)	(2,900)	(5,500)	(5,500)	(2,900)	....	(−2,600)	(−2,600)
Radiological emergency preparedness fund	−1,000	....	....	....	+1,000	....	....
Emergency food and shelter program	110,000	140,000	110,000	110,000	....	−30,000	....
Flood map modernization fund	5,000	....	....	....	−5,000	....	....
(By transfer)	....	....	(30,000)	....	....	....	(−30,000)
National insurance development fund	(3,730)	....	....	....	(−3,730)	....	....
National Flood Insurance Fund (limitation on administrative expenses):							
Salaries and expenses	(24,333)	(25,736)	(25,736)	(25,736)	(+1,403)	....	....
Flood mitigation	(78,710)	(77,307)	(77,307)	(77,307)	(−1,403)	....	....
(Transfer out)	(−20,000)	(−20,000)	(−20,000)	(−20,000)	....	....	....
National flood mitigation fund (by transfer)	....	(20,000)	(20,000)	(20,000)	(+20,000)	....	....
Total, Federal Emergency Management Agency	3,338,421	3,580,477	876,730	3,515,977	+177,556	−64,500	+2,639,247
Appropriations	(857,996)	(971,257)	(876,730)	(906,757)	(+48,761)	(−64,500)	(+30,027)
Rescissions	....	....	....	....	....	....	....
Emergency funding	....	....	....	....	....	....	....
General Services Administration							
Federal Consumer Information Center Fund	2,622	6,822	7,122	7,122	+4,500	+300	....
National Aeronautics and Space Administration							
Human space flight	5,487,900	5,499,900	5,472,000	5,400,000	−87,900	−99,900	−72,000

Science, aeronautics and technology	5,580,895	5,929,400	5,579,600	5,837,000	+256,105	−92,400	+257,400
Mission support	2,512,024	2,584,000	2,584,000	2,584,000	+71,976		
Office of Inspector General	20,000	22,000	23,000	23,000	+3,000	+1,000	
Total, NASA	13,600,819	14,035,300	13,658,600	13,844,000	+243,181	−191,300	+185,400
Rescissions							
National Credit Union Administration							
Central liquidity facility:							
(Limitation on direct loans)		(600,000)	(3,000,000)	(600,000)	(+600,000)		(−2,400,000)
(Limitation on administrative expenses, corporate funds)	(257)	(296)	(296)	(296)	(+39)		
Revolving loan program	996		1,000		−996		−1,000
Community development credit union revolving loan fund		1,000				−1,000	
National Science Foundation							
Research and related activities	2,958,462	3,540,680	3,117,690	3,245,562	+287,100	−295,118	+127,872
Major research equipment	93,500	138,540	76,600	109,100	+15,600	−29,440	+32,500
Education and human resources	690,872	729,010	694,310	765,352	+74,480	+36,342	+71,042
Salaries and expenses	148,900	157,890	152,000	170,890	+21,990	+13,000	+18,890
Office of Inspector General	5,450	6,280	5,700	6,280	+830		+580
Total, NSF	3,897,184	4,572,400	4,046,300	4,297,184	+400,000	−275,216	+250,884
Rescissions							
Neighborhood Reinvestment Corporation							
Payment to the Neighborhood Reinvestment Corporation	74,715	90,000	90,000	80,000	+5,285	−10,000	−10,000
Selective Service System							
Salaries and expenses	23,909	24,480	23,000	24,480	+571		+1,480
Total, title III, Independent agencies	29,070,497	30,374,144	26,212,139	29,908,644	+838,147	−465,500	+3,696,505
Appropriations	(26,590,072)	(27,764,924)	(26,212,139)	(27,299,424)	(+709,352)	(−465,500)	(+1,087,285)
Rescissions	(−80,000)			(−50,000)	(+30,000)	(−50,000)	(−50,000)
Emergency funding	(2,480,425)	(2,609,220)		(2,609,220)	(+128,795)		(+2,609,220)
(Limitation on administrative expenses)	(103,043)	(103,043)	(103,043)	(103,043)			
(Limitation on direct loans)	(25,000)	(625,000)	(3,019,000)	(625,000)	(+600,000)		(−2,394,000)
(Limitation on corporate funds)	(257)	(296)	(296)	(296)	(+39)		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2000 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2001—Continued

[In thousands of dollars]

Item	2000 appropriation	Budget estimate	House allowance	Committee recommendation	Senate Committee recommendation compared with (+ or −)		
					2000 appropriation	Budget estimate	House allowance
OTHER PROVISIONS							
H.R. 202—Preservation of Affordable Housing	−14,000				+14,000		
VA Compensation Date Shift [1]			−1,574,000				+1,574,000
VA Pension Date Shift [1]			−258,000				+258,000
Grand total (net)	99,190,610	109,781,099	101,269,836	107,507,953	+8,317,343	−2,273,146	+6,238,117
Current year, fiscal year 2001	(94,990,610)	(105,581,099)	(97,069,836)	(103,307,953)	(+8,317,343)	(−2,273,146)	(+6,238,117)
Appropriations	(94,907,585)	(102,971,879)	(97,345,224)	(101,023,733)	(+6,116,148)	(−1,948,146)	(+3,678,509)
Rescissions	(−2,397,400)		(−275,388)	(−325,000)	(+2,072,400)	(−325,000)	(−49,612)
Emergency funding	(2,480,425)	(2,609,220)		(2,609,220)	(+128,795)		(+2,609,220)
Advance appropriation, fiscal year 2001/2002	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)			
(By transfer)	(216,727)	(53,660)	(83,661)	(53,660)	(−163,067)		(−30,001)
(Transfer out)	(−203,061)	(−20,000)	(−50,000)	(−20,000)	(+183,061)		(+30,000)
(Limitation on administrative expenses)	(103,043)	(103,043)	(103,043)	(103,043)			
(Limitation on direct loans)	(349,860)	(999,985)	(3,243,985)	(999,985)	(+650,125)		(−2,244,000)
(Limitation on guaranteed loans)	(359,902,000)	(383,217,000)	(382,217,000)	(382,261,000)	(+22,359,000)	(−956,000)	(+44,000)
(Limitation on corporate funds)	(561,333)	(562,372)	(561,372)	(561,372)	(+39)	(−1,000)	

[1] CBO assigned request to authorizing committee.