107TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPORT
107–102

MAKING SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2001, AND FOR OTHER PURPOSES

JUNE 19, 2001.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. YOUNG of Florida, from the Committee on Appropriations, submitted the following

REPORT

together with

DISSENTING AND ADDITIONAL VIEWS

[To accompany H.R. 2216]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making supplemental appropriations for the fiscal year ending September 30, 2001, and for other purposes.

BILL HIGHLIGHTS

The bill recommended by the Committee provides a net discretionary supplemental appropriation of $6,544,580,000 for fiscal year 2001, and is consistent with the provisions for fiscal year 2001 supplemental appropriations of H. Con. Res. 83, the fiscal year 2002 budget resolution. Total spending provided in the bill is $7,481,283,000 including $6,750,352,000 for national security requirements, $2,168,931,000 for nondefense requirements, and $1,438,000,000 in offsetting reductions. The bill includes $6,455,380,000 for the Department of Defense to cover increased operating costs, as well as to cover requirements for pay, support, training and quality of life for military personnel. It also includes $288,472,000 for defense-related requirements at the Department of Energy. The bill includes $389,200,000 for disaster-related needs for the Corps of Engineers, Department of the Interior, and the Forest Service. Additionally, the Low Income Home Energy Assistance Program would be supplemented by $300,000,000; the Edu-

73–177

cation for the Disadvantaged account would be supplemented by $161,000,000, and the Coast Guard would receive $92,000,000 for operating expenses. The bill also includes $115,776,000 million for the implementation of the recently enacted tax rebate. Additional mandatory appropriations totalling $936,413,000 are included for veterans' benefits.

TITLE I

NATIONAL SECURITY MATTERS

CHAPTER 1

DEPARTMENT OF DEFENSE—MILITARY

MILITARY PERSONNEL

The supplemental request included $515,000,000 for functions funded in title I, Military Personnel, of the Department of Defense Appropriations Act. The Committee recommends $515,000,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
Legislated Pay Entitlements	$116,000	$116,000
Military Personnel, Army	(33,000)	(33,000)
Military Personnel, Navy	(30,000)	(30,000)
Military Personnel, Marine Corps	(10,000)	(10,000)
Military Personnel, Air Force	(28,000)	(28,000)
Reserve Personnel, Army	(4,000)	(4,000)
Reserve Personnel, Air Force	(2,000)	(2,000)
National Guard Personnel, Army	(6,000)	(6,000)
National Guard Personnel, Air Force	(3,000)	(3,000)
Basic Allowance for Housing Survey	210,000	210,000
Military Personnel, Army	(78,000)	(78,000)
Military Personnel, Navy	(13,000)	(13,000)
Military Personnel, Marine Corps	(45,000)	(45,000)
Military Personnel, Air Force	(59,000)	(59,000)
Reserve Personnel, Army	(6,000)	(6,000)
National Guard Personnel, Air Force	(9,000)	(9,000)
Subsistence	28,000	28,000
Military Personnel, Army	(28,000)	(28,000)
Reserve Training	42,000	48,500
Reserve Personnel, Army	(42,000)	(42,000)
Reserve Personnel, Air Force	(0)	(6,500)
Officer Pay Table Reform	28,000	28,000
Military Personnel, Navy	(28,000)	(28,000)
Permanent Change of Station Moves	58,000	58,000
Military Personnel, Army	(25,000)	(25,000)
Military Personnel, Navy	(13,000)	(13,000)
Military Personnel, Marine Corps	(14,000)	(14,000)
Military Personnel, Air Force	(6,000)	(6,000)
Recruiting and Retention	33,000	26,500
Military Personnel, Air Force	(33,000)	(26,500)

OPERATION AND MAINTENANCE

The supplemental request included $2,885,700,000 for functions funded in title II, Operation and Maintenance, of the Department of Defense Appropriations Act. The Committee recommends

$2,936,200,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
Flying Hours	$970,000	$970,000
Operation and Maintenance, Navy	(425,000)	(425,000)
Operation and Maintenance, Air Force	(418,000)	(418,000)
Operation and Maintenance, Defense-Wide	(20,000)	(20,000)
Operation and Maintenance, Air Force Reserve	(14,000)	(14,000)
Operation and Maintenance, Air National Guard	(93,000)	(93,000)
Focused Relief	36,000	36,000
Operation and Maintenance, Army	(10,700)	(10,700)
Operation and Maintenance, Navy	(7,000)	(7,000)
Operation and Maintenance, Air Force	(3,800)	(3,800)
Operation and Maintenance, Defense-Wide	(14,500)	(14,500)
Base Operations	414,000	407,000
Operation and Maintenance, Army	(300,000)	(300,000)
Operation and Maintenance, Navy	(83,000)	(83,000)
Operation and Maintenance, Air Force	(7,000)	(0)
Operation and Maintenance, Army Reserve	(7,000)	(7,000)
Operation and Maintenance, Navy Reserve	(7,000)	(7,000)
Operation and Maintenance, Army National Guard	(10,000)	(10,000)
Second Destination Transportation	62,000	50,000
Operation and Maintenance, Army	(62,000)	(50,000)
Force Protection	33,000	33,000
Operation and Maintenance, Navy	(22,000)	(22,000)
Operation and Maintenance, Marine Corps	(11,000)	(11,000)
Contractor Logistics Support	63,000	63,000
Operation and Maintenance, Air Force	(63,000)	(63,000)
Joint Exercises	11,000	11,000
Operation and Maintenance, Air Force	(11,000)	(11,000)
EHIME MARU	36,000	36,000
Operation and Maintenance, Navy	(36,000)	(36,000)
Utilities	465,000	463,100
Operation and Maintenance, Army	(172,800)	(172,800)
Operation and Maintenance, Navy	(37,000)	(37,000)
Operation and Maintenance, Marine Corps	(38,000)	(38,000)
Operation and Maintenance, Air Force	(136,200)	(136,200)
Operation and Maintenance, Defense-Wide	(23,900)	(22,000)
Operation and Maintenance, Army Reserve	(13,500)	(13,500)
Operation and Maintenance, Navy Reserve	(5,500)	(5,500)
Operation and Maintenance, Marine Corps Reserve	(1,900)	(1,900)
Operation and Maintenance, Air Force Reserve	(6,000)	(6,000)
Operation and Maintenance, Army National Guard	(13,900)	(13,900)
Operation and Maintenance, Air National Guard	(16,300)	(16,300)
California Electrical Demand Reduction	24,500	41,500
Operation and Maintenance, Army	(300)	(7,100)
Operation and Maintenance, Navy	(14,000)	(21,200)
Operation and Maintenance, Marine Corps	(5,400)	(5,400)
Operation and Maintenance, Air Force	(4,800)	(7,800)
Real Property Maintenance	186,000	144,300
Operation and Maintenance, Army	(107,000)	(91,000)
Operation and Maintenance, Navy	(44,000)	(31,500)
Operation and Maintenance, Air Force	(16,000)	(6,800)
Operation and Maintenance, Army National Guard	(19,000)	(15,000)
Aircraft Depot Maintenance	276,000	276,000
Operation and Maintenance, Navy	(77,000)	(77,000)
Operation and Maintenance, Air Force	(175,000)	(175,000)
Operation and Maintenance, Air Force Reserve	(14,000)	(14,000)
Operation and Maintenance, Air National Guard	(10,000)	(10,000)
Ship Depot Maintenance	200,000	200,000
Operation and Maintenance, Navy	(200,000)	(200,000)
Classified Programs	65,200	96,400
Recruiting and Advertising	0	25,000
Operation and Maintenance, Army	(0)	(25,000)
U.S.S. COLE (funded in General Provisions)	44,000	44,000

[In thousands of dollars]

Program	Request	Committee recommendation
Natural Disaster Damages (funded in General Provisions)	0	39,900

CALIFORNIA ENERGY DEMAND REDUCTION

The Committee recommends $45,700,000 for implementation of the Department of Defense's plan to reduce electricity demand in California and the Western United States, an increase of $17,000,000 above the request. These initiatives are intended to reduce electricity demand by ten percent this year and a total of fifteen percent by summer 2002. The Committee believes strongly that the Department must place greater emphasis on utilizing available service resources and technologies that can ultimately eliminate service dependence on the public power grids in this region. The Committee encourages the Department of Defense to allocate a significant portion of this funding increase to focus on this area.

The additional funds, to remain available through fiscal year 2002, are allocated as follows:

Operation and Maintenance, Army	$6,800,000
Operation and Maintenance, Navy	7,200,000
Operation and Maintenance, Air Force	3,000,000

The Committee directs that in distributing funds for the Energy Demand Reduction program, the Department should prioritize projects based upon available data to include increases in installation utility costs, the rate of savings in energy demand the project will produce, and the availability of service resources to complete the project. The Committee further directs the Secretary of Defense to submit a report to the congressional defense committees within 45 days of enactment of this Act that describes the complete criteria to be used and the proposed projects for distribution of these funds.

RECRUITING AND ADVERTISING

The Committee recommends a total of $25,000,000 to fund the Army's advertising campaign sufficiently through the end of the fiscal year. The Committee is aware of the Army's advertising efforts to focus on certain audiences, including Hispanics, and directs that no less than $5,000,000 of the funds provided be used to further increase existing production efforts directed toward Hispanic recruits.

NATURAL DISASTER DAMAGES

The supplemental request includes $12,500,000 to repair damages caused by natural disasters. Responding to Committee requests for information, the military services provided details on the full extent of natural disaster damages, including severe wind damage in the northwestern United States in December 2000 and January 2001, the February 2001 earthquake in the northwestern United States, and numerous other occurrences of severe damage throughout the United States. In order to meet these needs, the Committee has provided $27,400,000 in additional funding, for a

total of $39,900,000. The Committee has realigned those funds in the request and these additional amounts, and consolidated funding for these activities in a general provision in the Committee bill.

OTHER ADJUSTMENTS

Base Operations.—The Committee recommends a total of $407,000,000 for Base Operations. Within the amount recommended the Committee recommends $300,000,000 for Army; $83,000,000 for Navy; $7,000,000 for Army Reserve; $7,000,000 for Navy Reserve; and $10,000,000 for Army National Guard. Funding for MH–47E unit beddown is deferred based on consideration of other high priority requirements. The Department is encouraged to seek restoration of Host Nation Support.

Real Property Maintenance.—The Committee recommends a total of $144,300,000 for Real Property Maintenance. Within the amount recommended, the Committee recommends $91,000,000 for Army; $31,500,000 for Navy; $6,800,000 for Air Force; and $15,000,000 for Army National Guard. Funding for F–22 beddown is deferred.

Second Destination Transportation.—After review of the many high priority requirements presented by the Department, the Committee recommends a total of $50,000,000 for Second Destination Transportation, a reduction of $12,000,000 to the supplemental request.

USE OF BIOFUELS BY THE DEPARTMENT OF DEFENSE

The Committee commends the Department of Defense for its efforts to maximize the use of ethanol, biodiesel and other agricultural-based fuels and lubricants, and urges the Department to continue the effort.

PROCUREMENT

The supplemental request included $550,700,000 for functions funded in title III, Procurement, of the Department of Defense Appropriations Act. The Committee recommends $488,700,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
Training Munitions	$73,000	$73,000
Procurement of Ammunition, Air Force	(73,000)	(73,000)
C–17 Overhead Costs	49,000	49,000
Aircraft Procurement, Air Force	(49,000)	(49,000)
Ship Cost Growth	222,000	222,000
Shipbuilding and Conversion, Navy	(222,000)	(222,000)
California Electrical Demand Reduction	4,200	4,200
Other Procurement, Army	(3,000)	(3,000)
Other Procurement, Air Force	(1,200)	(1,200)
Classified Programs	202,500	125,000
Global Positioning System NUDET	0	15,500
Missile Procurement, Air Force	(0)	(15,500)

TRAINING MUNITIONS

The supplemental request includes $73,000,000 for various training munitions. The Committee recommendation includes this

amount. The Air Force has informed the Committee that there is a near term shortfall of $452,000,000 in training munitions and a $2,000,000,000 shortfall over the Future Years Defense Plan. The Committee is dismayed to learn that these shortfalls are a result of a decade of neglect in Air Force budgets. The Committee further notes that the munitions procured with the supplemental funds will not be available for two years. This is clearly a requirement that must be addressed in an ongoing and deliberate manner as part of the regular annual appropriation process rather than supplemental appropriations. Accordingly, the Committee directs the Air Force to budget adequately for training munitions in future budget submissions.

GLOBAL POSITIONING SYSTEM (SPACE)

The supplemental request includes $15,500,000 in a classified line for acquisition of a nuclear detonation detection (NUDET) sensor for installation on the GPS satellite. The Air Force has informed the Committee that installation of this sensor on the GPS satellite is an unclassified fact. The Committee believes that funding this sensor in a classified line separately from the host GPS satellite unnecessarily complicates budget formulation, justification, and execution. Accordingly, the Committee recommendation includes a transfer of funding for this effort to the GPS satellite procurement line-item. The Committee directs that future budget requests for GPS NUDET be included as part of the GPS satellite procurement line-item. The Committee believes that this direction is not only preferable from a budgetary standpoint, but also fully consistent with DoD's intent to expand the Air Force's role and responsibilities in space.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

The supplemental request included $440,500,000 for functions funded in title IV, Research, Development, Test and Evaluation, of the Department of Defense Appropriations Act. The Committee recommends $525,600,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
ISR Enhancements	0	$5,000
Research, Development, Test and Evaluation, Army	(0)	(5,000)
Airborne Laser	$153,000	153,000
Research, Development, Test and Evaluation, Air Force	(153,000)	(153,000)
Launch Vehicle Demonstration	48,000	48,000
Research, Development, Test and Evaluation, Air Force	(48,000)	(48,000)
Global Hawk	25,000	17,000
Research, Development, Test and Evaluation, Air Force	(25,000)	(17,000)
Miniature Munitions	20,000	13,000
Research, Development, Test and Evaluation, Air Force	(20,000)	(13,000)
ISR Battle Management	0	5,000
Research, Development, Test and Evaluation, Air Force	(0)	(5,000)
Joint Experimentation	15,000	15,000
Research, Development, Test and Evaluation, Defense-Wide	(15,000)	(0)
Research, Development, Test and Evaluation, Navy	(0)	(15,000)
V–22 Aircraft	80,000	120,000
Research, Development, Test and Evaluation, Navy	(80,000)	(120,000)
Naval Fires Network	0	5,000
Research, Development, Test and Evaluation, Navy	(0)	(5,000)

[In thousands of dollars]

Program	Request	Committee recommendation
Classified Programs	99,500	144,600

V–22

The supplemental request proposes a series of funding adjustments to the V–22 program, intended to begin implementation of recommendations made by the Panel to Review the V–22 Program (the so-called "Blue Ribbon Panel") to hold V–22 production rates to minimum levels while the program is restructured and restored to operation. To support initial redesign and testing efforts, the supplemental request proposes to increase the fiscal year 2001 budget request for V–22 research and development by $80,000,000. The request also proposes rescissions of fiscal year 2001 V–22 production funding totaling $475,000,000 ($235,000,000 from "Aircraft Procurement, Navy", and $240,000,000 from "Aircraft Procurement, Air Force"), in keeping with the Department's revised procurement profile.

The Committee agrees with the thrust of the proposed changes contained in the supplemental budget request. However, in order to enable the Marine Corps to accelerate activities associated with risk reduction, part redesign, and continued operational testing necessary for the V–22 to return to flight status, the Committee recommends $120,000,000 for V–22 research and development, an increase of $40,000,000 over the supplemental request. The Committee has also carefully scrutinized the funding requirements associated with the V–22 production program, and has determined that the supplemental request uses overly conservative pricing assumptions by the Defense Department on the remaining V–22 aircraft to be procured with fiscal year 2001 funds. Accordingly, the Committee believes the current planned fiscal year 2001 procurement program can be executed at a lower cost, yielding funding which is available to help finance a more accelerated and robust V–22 testing and development effort, as well as other urgent needs in this legislation. Therefore, while approving the rescissions of prior year funds proposed in the request, the Committee recommends additional rescissions of $95,000,000 to the "Aircraft Procurement, Navy" appropriation account and $20,000,000 to the "Aircraft Procurement, Air Force" account.

AIRBORNE LASER

The supplemental request includes $153,000,000 for the Airborne Laser to address program cost growth and to reduce schedule risk for a lethal demonstration against a theater missile planned in 2003. The Committee recommendation includes this amount.

SMALL DIAMETER BOMB

The supplemental request includes $20,000,000 for a new program to develop a 250 pound Small Diameter Bomb (SDB). The Committee notes that $12,000,000 was appropriated to initiate this effort in fiscal year 2001. The Committee also notes that contract award will likely not occur until late fiscal year 2001 or early fiscal year 2002. Given the availability of funds, and the delay in contract

award, the Committee recommendation includes $13,000,000 subject to the direction below. Any additional fiscal year 2002 requirements should be addressed as part of the DoD's fiscal year 2002 request.

Over the past several years, the Committee has supported an advanced technology demonstration of a low cost seeker technology called Direct Attack Munitions Affordable Seeker (DAMASK). DAMASK, developed at Naval Air Warfare Center China Lake, uses a low cost commercial imaging infrared sensor produced for the automobile industry. DAMASK provides a passive, GPS independent, through the weather, lock-on after launch, precision strike capability. In actual flight tests, the seeker has demonstrated accuracy within one meter in a GPS denied environment. DAMASK is estimated to cost $20,000 per seeker, less than half of the amount allocated in the Air Force's SDB seeker estimates.

The Committee strongly encourages the Air Force to adopt the DAMASK technology for use in the SDB program. At a minimum, the Committee directs that evaluation of DAMASK technology be included in the SDB Request for Proposal (RFP) and that DAMASK be the standard of comparison in terms of cost and performance for all potential SDB seeker candidates.

The Committee directs that prior to contract award for SDB, the Secretary of the Air Force submit a report to the congressional defense committees that includes: 1) a determination of whether the DAMASK technology (using an articulated design if required) can be adapted to accommodate the size requirements of the SDB; 2) an evaluation of DAMASK as a viable solution to the anti-jam requirements for the SDB; 3) an evaluation of DAMASK for use as an automatic target recognition seeker for mobile targets (assuming a logical technology growth path); 4) a cost and performance comparison between DAMASK and competing seeker proposals; and 5) a comparison of the competing seeker proposals in terms of technology readiness.

JOINT EXPERIMENTATION

The supplemental request included $15,000,000 for "Research, Development, Test and Evaluation, Defense-Wide", which the Department of Defense then intended to transfer to Joint Experimentation efforts funded in the "Research, Development, Test and Evaluation, Navy" appropriation. The Committee recommends appropriating the $15,000,000 directly to "Research, Development, Test and Evaluation, Navy", to avoid the delay.

INTELLIGENCE, SURVEILLANCE, RECONNAISSANCE (ISR) PROGRAMS

The supplemental request included $25,000,000 for Intelligence, Surveillance, Reconnaissance (ISR) programs, specifically an effort to accelerate the development of the Global Hawk High Altitude Endurance Unmanned Aerial Vehicle. The Committee recommends $32,000,000 for overall ISR efforts, an increase of $7,000,000, as outlined below.

Global Hawk.—The Department requested $25,000,000 to accelerate the development of the Global Hawk High Altitude Endurance Unmanned Aerial Vehicle. The Committee recommends $17,000,000 for initiation of the plan presented by the Air Force to accelerate development of the Global Hawk.

The Committee is concerned that the Air Force plan reflects a highly ambitious schedule, relying heavily on the rapid development and delivery of a myriad of sensor systems. The Committee believes the Air Force should use up to $5,000,000 of the funds provided to conduct a competitive fly-off demonstration to evaluate existing sensor systems, particularly electro-optical and infrared sensors and synthetic aperture radars, that demonstrate potential for achieving the requirement without the need for a significant investment in development cost and schedule. This effort could significantly reduce the risk inherent in the current schedule.

ISR Networking Enhancements.—The Army, Navy, and Air Force are initiating programs and conducting joint and service-specific exercises that highlight networking and command and control of ISR assets, time critical strike, and other network centric operations. These efforts, although developed separately, are by necessity joint due to their reliance on a common set of goals, assets, databases, and communication links.

It is clear that central to the ability of each of the Services to identify, track, attack, and assess damage, is the development of methods to link available sensors into a network of shared data to support decision makers at all levels. The Committee notes that funding for many of the fiscal year 2001 networking efforts have been cobbled together from a variety of projects that support related programs, but specific funds for certain requirements have not been fully funded in a budget request. Therefore, the Committee has provided a total of $15,000,000 for the services to enhance and accelerate high priority networking projects. The Committee directs the $15,000,000 be used as follows:

- For the Army, $5,000,000 for Intelligence, Surveillance, Reconnaissance Enhancements.—$3,000,000 for UAV Radio Network Upgrades to allow radios to be networked beyond the line of sight and $2,000,000 for the continued development of the Joint Common Data Base.
- For the Navy, $5,000,000 for Naval Fires Network (NFN) testing, evaluation, and deployment, an analysis of the requirement to upgrade the tactical dissemination module, and training and long lead requirements for a potential NFN prototype deployment with a CVBG.
- For the Air Force, $5,000,000 for Intelligence, Surveillance, Reconnaissance Battle Management to initiate a new start program to develop a capability to dynamically command, control and visualize ISR assets and information in the Air Operations Center (AOC).

The Committee agrees with the approach that each service is taking. Nevertheless, it is essential that each service Chief monitor their programs to ensure that service solutions are joint in application. Architectures must be built in such a way that interoperability and exchange of information is encouraged and not hindered.

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (C3I)

Recent actions within the Office of the Assistant Secretary of Defense for Command, Control, Communications and Intelligence (ASD/C3I) indicate that this office has failed in its responsibility to adhere to congressional directives with respect to execution of fund-

ing for particular programs, projects, and activities. The Committee believes that these instances show a lack of judgment, questionable management practices, and what appears to be at best an indifference for Congress' role in the establishment of defense spending priorities. Such practices not only undermine the appropriations process, but also weaken the confidence given to ASD/C3I with respect to conducting its overall responsibilities within the Department of Defense.

The Committee recognizes that ASD/C3I is an important organization with far reaching oversight and management of important Department of Defense programs. The Committee believes that such authority must be combined with a more responsive management structure that is capable not only of effectively managing its programs, but also ensuring that the intent of Congress is implemented in a timely manner. The Committee expects that the Secretary of Defense will ensure that any future Assistant Secretary of Defense for ASD/C3I will take steps to correct these types of actions and will address the issues identified by the Committee.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

The supplemental request included $178,400,000 for functions funded in title V, Revolving and Management Funds, of the Department of Defense Appropriations Act. The Committee recommends $178,400,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
Utilities	$178,400	$178,400
Defense Working Capital Funds	(178,400)	(178,400)

OTHER DEPARTMENT OF DEFENSE PROGRAMS

The supplemental request included $1,453,400,000 for functions funded in title VI, Other Department of Defense Programs, of the Department of Defense Appropriations Act. The Committee recommends $1,655,300,000. The following table summarizes the requested amounts and the Committee recommendations.

[In thousands of dollars]

Program	Request	Committee recommendation
Defense Health Program	$1,453,400	$1,653,400
Operation and Maintenance, Defense Health Program	(1,427,000)	(1,427,000)
Operation and Maintenance, Defense Health Program (for utilities)	(26,400)	(26,400)
Operation and Maintenance, Defense Health Program (MTF Optimization)	(0)	(200,000)
Drug Interdiction and Counter-Drug Activities, Defense (for utilities)	0	1,900

DEFENSE HEALTH PROGRAM COST GROWTH

The Committee notes that in 12 of the past 16 years, the Congress has been compelled to act either by providing new appropriations or prior approval reprogrammings to ensure sufficient funding for the Defense Health Program. Including the amount rec-

ommended in this bill, the Congress has provided a total of over $6,500,000,000 above amounts requested by the Department of Defense for this program since fiscal year 1986.

One reason for these shortfalls is the need to fully fund the cost of contractually provided health care. To fund such shortfalls, the Committee recommends $786,300,000, as requested by the administration, for costs associated with the TRICARE global settlement, for price adjustments in execution of fiscal year 2001, for requirements that could not be met by the Department of Defense medical treatment facilities, and for certain pharmacy costs. With respect to global settlement, the Committee harbors concerns that this amount does not reflect all valid contractor claims since July 2000. The Committee is aware that numerous valid claims have yet to be adjudicated and that new claims have been filed by TRICARE contractors since the beginning of calendar year 2001. The Committee therefore directs the Secretary of Defense to submit a report to the congressional defense committees, prior to conference on the fiscal year 2001 Supplemental Appropriations bill, that provides estimates of the outstanding liability for global settlement and other change order requirements not previously identified or estimated that exceed the funding provided in this bill.

In addition, the Committee is aware that the Department of Defense suffers from chronic funding shortfalls due to the inaccuracy of current DoD budgeting methods. Current practices have clearly failed to keep pace with increases in medical care costs brought about by advances in the technology of providing medical care, and by substantial increases in pharmacy costs. An example of the discrepancy between budgeting methods and reality is reflected in pharmacy costs, for which the Department regularly budgets for cost growth of 4–5 percent per year while actual cost growth since 1996 has averaged nearly 12 percent annually. Therefore, the Committee directs the Secretary of Defense to submit a report to the congressional defense committees, concurrent with submission of the fiscal year 2002 budget request, which details measures included in the fiscal year 2002 budget request to improve budgeting methods for medical care in the fiscal year 2002 request and for subsequent budget requests.

MILITARY TREATMENT FACILITY OPTIMIZATION AND ADVANCE MEDICAL PRACTICES

The Committee has provided an additional $200,000,000 above the budget request as an initial increment to begin the process of reversing the erosion in the ability of the direct military health care system to provide the highest standards of care to service personnel, their families, and to Medicare-eligible military retirees. The inability of the Department to accurately forecast its TRICARE contractor costs, combined with high cost growth in the commercial medical sector, congressional action to expand health benefits to military retirees, and a poorly structured base contract for TRICARE service providers has resulted in an explosion in TRICARE costs that has exceeded forecast levels by tens of billions of dollars over the past several years. Besides putting strains on the DoD budget as a whole, the direct care system of the military medical departments has been especially hard hit as their budgets have been consistently raided to pay for TRICARE cost overruns.

For instance, this year the fourth quarter operating budgets for the Army, Navy and Air Force direct care systems have all been used to pay legitimate but unbudgeted TRICARE contractor claims. Without the replenishment of over $1.4 billion in this bill, all three of the services' direct care systems would be forced to shut down in July or August.

This severe and persistent funding instability for the direct care system has been highly disruptive to orderly administration and has had an insidious "penny-wise, pound-foolish" effect on the entire system over time. It has prevented military managers from making sound investments to increase the longer-term efficiency of their system and to maintain the highest quality standards of care. The Surgeons General have repeatedly testified that this continued neglect of the direct care system soon will lead to a decrease in quality of patient care, a significant disruption in the normal delivery of health care services, declining morale among the medical workforce, and more difficulty in recruiting top medical talent.

The Committee also notes that sound investments in the direct care system can save significant amounts of money. For instance, the Air Force Surgeon General testified that the lack of funding for MTF operating room supplies has caused his staff to transfer in-house appendectomy patients to TRICARE contractors at a total cost of $6,000 to $7,000 per procedure instead of $300 at an MTF. The Committee is aware that the Surgeons General have documented hundreds of individual MTF investments that will not only improve the quality of care, but allow them to provide care cheaper than if it were outsourced to TRICARE contractors. These "optimization" projects make good business sense.

In addition, the Committee is concerned that the TRICARE financial crisis has sapped the ability of the military direct care system to keep abreast of and implement the latest advances in medical practices. Every year, it is estimated that the military health system needs around $100 million a year to implement newly developed practices/procedures such as laser refractive eye surgery, liquid based cytology, positron emission tomography, or non-invasive colonoscopy. It is these same funds that are held in reserve by the Department until the very end of the fiscal year to cover TRICARE shortfalls, and are often reduced or eliminated. The Committee believes this is a counter-productive budgetary practice.

The Committee has therefore provided $200,000,000 to begin the process of reversing the disinvestments in the military's direct care system. Of this amount, $150,000,000 is provided to expand the services' MTF optimization efforts and $50,000,000 is provided to finance necessary advances in medical practices that have been deferred to date. Optimization projects may include increased staffing, minor facility repairs and maintenance, expansion of services, equipment modernization, pharmacy upgrades, or other activities that will improve health care service and/or reduce overall cost to the government. The Committee bill carries language requiring that business case models be prepared for these projects to show that they will be "self-financing" within at least three years of project initiation, in the sense that they save more overall cost to the government (to include TRICARE contractor cost) than is invested under this account. The bill language also gives the ability

to the Surgeons General to undertake other activities that may not technically meet the cost savings criteria if they deem it necessary to meet a critical health care deficiency that threatens health care outcomes.

The Committee directs each Surgeon General to report to the congressional defense committees by September 15, 2001 on what projects or activities are to be funded with these funds (including the cost and location of each), the expected overall return on investment of each project, and a description of the need/benefits for each project. The Committee also expects and has included language requiring that each project or activity funded under this section be continued and adequately financed in out year budget plans (the so-called POM process). The bill requires the Secretary of Defense to so certify before funds can be released.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

The Congress identified $5,000,000 in the fiscal year 2000 Department of Defense Appropriations Act to provide logistical and demilitarization support for the transfer of three excess A–10 aircraft to the Department of State in support of its Latin American drug eradication efforts. This action has yet to be finalized. In view of the increased threat environment, the Committee recommends that the Secretary of Defense renew consultations with the Department of State on this matter and proceed with the transfer of these aircraft.

RELATED AGENCIES

NATIONAL DRUG INTELLIGENCE CENTER

The Congress funded the National Drug Intelligence Center (NDIC) at a fiscal year 2001 baseline level of $34,100,000 to implement changes in operations and responsibilities specified by the General Counterdrug Intelligence Plan (GCIP). The GCIP established the NDIC as the principal center for domestic strategic counterdrug analysis in support of policymakers and resource planners, and mandated the establishment or expansion of key technological and analytical assets. The Committee expects the intelligence community to ensure that this new baseline is fully reflected in the fiscal year 2002 and out year budgets.

CLASSIFIED PROGRAMS

The Committee's recommendations regarding classified programs are summarized in a classified annex accompanying this report.

GENERAL PROVISIONS—THIS CHAPTER

The Committee bill amends a general provision requested in the supplemental request concerning the availability of funds provided in this chapter.

The Committee bill includes a general provision requested in the supplemental request concerning funds for intelligence related programs.

The Committee bill amends a general provision requested in the supplemental request which provides $44,000,000 of additional funds for the repair of the U.S.S. COLE.

The Committee bill includes a general provision which rescinds $834,000,000 from funds provided in previously enacted Defense Appropriations Acts. The accounts and specific programs recommended for rescission are as follows:

	Rescissions
2000 Appropriations:	
Procurement, Marine Corps: Shortstop	$3,000,000
2001 Appropriations:	
Overseas Contingency Operations Transfer Fund	81,000,000
Aircraft Procurement, Navy: MV–22	330,000,000
Procurement, Marine Corps: Shortstop	5,000,000
Aircraft Procurement, Air Force: CV–22	260,000,000
Other Procurement, Air Force: Selected Activities	65,000,000
Procurement, Defense-Wide: NSA—Classified Equipment	85,000,000
Intelligence Community Management Account: ADCI (Collection Management)	5,000,000

The Committee bill includes a general provision which provides funding to repair facilities damaged by natural disasters.

The Committee bill includes a general provision extending the authorities provided in section 816 of the National Defense Authorization Act of 1995, as amended, through January 31, 2002.

CHAPTER 2

DEPARTMENT OF ENERGY

NATIONAL NUCLEAR SECURITY ADMINISTRATION

WEAPONS ACTIVITIES

The Committee recommendation includes $140,000,000 for Weapons Activities as proposed by the Administration. However, the Committee recommendation modifies the distribution of the program funding.

Directed stockpile work.—An additional $54,000,000 has been provided for directed stockpile work to be allocated as follows: $18,900,000 for stockpile maintenance; $4,000,000 for stockpile evaluation; and $31,100,000 for stockpile research and development, including $24,000,000 for W–88 pit certification activities.

Campaigns.—An additional $9,000,000 has been provided for campaigns to be allocated as follows: $1,800,000 for secondary readiness; $1,600,000 for non-nuclear readiness; $1,600,000 for high explosives manufacturing and weapons assembly/disassembly readiness; and $4,000,000 for pit manufacturing readiness.

Readiness in technical base and facilities.—An additional $47,000,000 has been provided for readiness in technical base and facilities to be allocated as follows: $23,000,000 for operations of facilities; $9,500,000 for program readiness; $4,500,000 for material recycle and recovery; $8,800,000 for containers; and $1,200,000 for storage.

The recommendation also adjusts funding for construction projects provided in the fiscal year 2001 appropriations bill to more accurately reflect the use of the funds. Funding of $9,500,000 provided in Project 01–D–103, Project Engineering and Design (PE&D), has been transferred to Project 01–D–108, Microsystems and Engineering Science Applications (MESA) Complex, at Sandia National Laboratories. Funding provided in fiscal year 2001 for

this project was for infrastructure upgrades which should have been provided in the MESA construction line item, not PE&D.

Funding of $3,689,000 is provided for Project 01–D–107, Atlas Relocation and Operations, at the Nevada Test Site. This reflects the transfer of $3,689,000 from Project 01–D–103, PE&D, to relocate the Atlas pulsed power facility to the Nevada Test Site by the end of fiscal year 2003.

Facilities and infrastructure.—The Committee has provided $30,000,000 to establish a new program, Facilities and Infrastructure, to address the serious shortfall in maintenance and repairs throughout the nuclear weapons complex. This funding should be used to reduce the backlog of maintenance and repairs and dispose of excess facilities.

OTHER DEFENSE RELATED ACTIVITIES

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

The Committee recommendation includes $100,000,000 for Defense Environmental Restoration and Waste Management as proposed by the Administration. Additional funding of $31,700,000 is provided for the Savannah River Site for high-level waste activities and work in the F&H areas. Additional funding of $18,300,000 is provided for the Hanford site in Richland, Washington, for spent nuclear fuel activities, work on the Plutonium Finishing Plant, and F-reactor interim storage activities. For the Office of River Protection in Richland, an additional $10,000,000 is provided for tank farm operations and $25,000,000 to support the Hanford vitrification plant. Additional funding of $7,000,000 has been provided to purchase TRUPACTS shipping containers in support of operations at the Waste Isolation Pilot Plant in New Mexico; $5,000,000 to restore funding for high level waste disposal activities at Idaho; and $3,000,000 for groundwater contamination activities at the Pantex plant in Texas.

DEFENSE FACILITIES CLOSURE PROJECTS

The Committee recommendation includes $21,000,000 for Defense Facilities Closure Projects as proposed by the Administration. Additional funding of $20,000,000 has been provided for the Fernald, Ohio, project, and $1,000,000 for the Miamisburg, Ohio, project.

DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION

The Committee recommendation includes $27,472,000 for Defense Environmental Management Privatization, a reduction of $2,128,000 from the Administration's request of $29,600,000. These additional funds will be used to meet funding commitments for the Advanced Mixed Waste Treatment Facility in support of legally enforceable deadlines for shipping waste out of Idaho.

CHAPTER 3

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY

The Committee recommends appropriating $67,400,000 above the President's request. Of this amount, $55,100,000 is to upgrade utility systems in Korea that are in serious states of disrepair, and $6,900,000 is to renovate and upgrade substandard and environmentally unsafe vehicle maintenance facilities in Germany. The following projects are included:

Location/account/installation	Project title	Cost
Korea:		
Army:		
Camp Humphreys	Electrical Upgrade	$10,200,000
Camp Humphreys	Sewer Upgrade	12,000,000
Camp Hovey	Sewer Upgrade	13,400,000
Camp Casey	Sewer Upgrade Phase 2	8,000,000
Camp Casey	Electrical Upgrade	4,000,000
Camp Stanley	Electrical Upgrade	7,500,000
Yongsan Army Garrison	Underground Fuel Tanks	1,600,000
Subtotal, Korea		56,700,000
Japan:		
Army:		
Camp Schwab	Special Forces Training Range	3,800,00
Subtotal, Japan		3,800,000
Germany:		
Army:		
Darmstadt	Vehicle Maintenance Shop	2,500,000
Kaiserslautern	Vehicle Maintenance Shop	2,900,000
Bamberg	Vehicle Maintenance Facility	1,500,000
Subtotal, Germany		6,900,000
Total		67,400,000

In 1999 and 2000, the Command of United States Forces in Korea (USFK) suffered 295 electrical power and 467 water supply outages from a decaying infrastructure no longer capable of standing up to daily use and severe weather, much less hostile action. Magnifying the problem is the increasing need for sophisticated information technology systems that are incompatible with existing infrastructure. To begin managing these problems, the Committee has included funds to replace the infrastructure with upgraded systems. Not only will this improve the lives and working conditions of troops stationed in Korea, it will strengthen the position of the Command to negotiate a land partnership agreement with the government of the Republic of Korea.

As a result, of the deteriorating infrastructive, troops do not have internet access readily available. Nevertheless, a recent survey cited phone and internet access as the top concern of service people stationed in Korea. The Committee encourages the Commander of United States Forces in Korea (USFK) to explore this matter and to make recommendations to the Committee for improving its phone and internet services.

The Committee is also concerned that being stationed in Korea is considered to be an assignment where soldiers suffer the greatest loss of pay. For example, a Korea assignment is a 1-year unaccompanied hardship tour similar to a 6-month unaccompanied hardship tour in the Balkans. Yet soldiers serving in the Balkans are provided tax relief (no federal taxes) and a Basic Allowance Subsistence (separate rations) of approximately $237 per month. Soldiers serving in Korea, however, do not receive similar benefits. Given the equally hazardous conditions in Korea and the Balkans, this disparity seems unfair.

Additionally, $3,800,000 is provided for the Special Forces Special Operations Training Facility at Camp Schwab in Okinawa, Japan. A new training facility is needed to replace the existing facility that has been condemned. $1,600,000 is provided for the replacement of underground fuel storage tanks in Korea.

Finally, vehicle maintenance facilities in Germany are in need of substantial renovation in order to ensure safe working conditions for troops and to meet stringent environmental regulations. Consequently, the Committee recommends $6,900,000 to renovate and upgrade three such facilities.

MILITARY CONSTRUCTION, NAVY

The Committee recommends providing $10,500,000, above the President's request, of which $9,400,000 is for the construction of an Emergent Repair Facility in Guam for submarines and ships in transit in the South Pacific. Additionally, $1,100,000 is provided for a 3rd Marine Expeditionary Force Training Facility at Camp Schwab in Okinawa, Japan. The existing training facility is incapable of containing ammunition rounds and does not meet environment standards.

MILITARY CONSTRUCTION, AIR FORCE

The Committee recommends $8,000,000 for Military Construction, Air Force, instead of $18,000,000 as proposed by the President. The appropriation is for heat, ventilation, and fire protection systems in hardened aircraft shelters at the Kunsan Air Base in Kunsan, Korea.

FAMILY HOUSING, ARMY

The Committee recommends $29,480,000 for the Family Housing, Army, instead of $27,200,000 as requested by the President. Of the amount provided, $2,280,000 is to convert and renovate 102 substandard low-rise apartments in Hannam Village, Seoul, Korea. The remaining amounts are necessary to pay for the increased cost of utilities due to rate increases for natural gas and electricity.

FAMILY HOUSING, NAVY AND MARINE CORPS

The Committee recommends providing $20,300,000 for the Family Housing, Navy and Marine Corps, as requested by the President. This amount is necessary to pay for the increased cost of utilities due to rate increases for natural gas and electricity.

FAMILY HOUSING, AIR FORCE

The Committee recommends providing $18,000,000 for the Family Housing, Air Force, as requested by the President. This amount is necessary to pay for the increased cost of utilities due to rate increases for natural gas and electricity.

BASE REALIGNMENT AND CLOSURE, PART IV

The Committee recommends $9,000,000 for the Base Realignment and Closure, Part IV, as requested by the President. This appropriation enables the Air Force to fulfill contractual obligations incurred for the environmental clean-up of McClellan Air Force Base.

GENERAL PROVISIONS—THIS CHAPTER

The bill contains three provisions:

Section 1301 modifies the existing $77,500,000 cap to allow for unanticipated increases in construction costs and related contingency allowances at the Arvin Cadet Physical Development Center at the United States Military Academy in New York. These increases, however, cannot exceed the authorized amount of the project of $85,000,000. The Secretary of the Army is directed to submit a report to the congressional defense committees on the current cost estimates for the project 15 days prior to expending funds on the final phase of construction.

Section 1302 clarifies that amounts provided to the Department of Defense under each of the headings in this Chapter are available for the same time period as the amounts appropriated under each such heading in Public Law 106–246.

Section 1303 rescinds $64,000,000 from funds provided in previous Military Construction Appropriations Acts.

TITLE II

OTHER SUPPLEMENTAL APPROPRIATIONS

CHAPTER 1

GENERAL PROVISION—THIS CHAPTER

Section 2101. The Committee recommends a technical correction related to the Rural Community Advancement Program. The Committee does not recommend additional appropriations for the Animal and Plant Health Inspection Service and for the Klamath Basin, as requested. It is the view of the Committee that these funding requirements can be met by administrative action through existing powers and authorities of the Commodity Credit Corporation. The Committee urges and directs the Department to take such action promptly in order to meet these needs more expeditiously than would be possible by waiting for enacted supplemental appropriations.

With regard to the budget request for $20,000,000 for financial assistance to eligible producers in the Klamath Basin, the Committee directs the Department of Agriculture to submit an apportionment request forthwith to the Office of Management and Budget. This request shall cover the release of not less than $20,000,000

from available funds of the Commodity Credit Corporation for the purpose of providing assistance to producers, as determined by the Secretary of Agriculture. A copy of this appointment request shall be submitted to the Committees on Appropriations of the House and the Senate within three days of its submission to the Office of Management and Budget. Further, the Secretary of Agriculture is directed to keep the Committees fully advised to the status and disposition of this apportionment request.

CHAPTER 2

DISTRICT OF COLUMBIA

The Committee recommends an additional $95,677,000 for District of Columbia activities during fiscal year 2001 consisting of $250,000 by transfer from Federal funds previously appropriated, $93,276,000 from local funds and $2,151,000 from enterprise funds. The District government's request totals $94,677,000 to be financed completely from local funds and was transmitted to the President by the Mayor on May 22, 2001. This supplemental request is necessitated by budget pressures of $190,000,000 which District officials are addressing and at this time have been able to resolve over 51 percent through internal adjustments and the use of reserves. The balance is due primarily to increased enrollment in the Medicaid program, the need to invest in support services for children, youth, and their families, anticipated costs of collective bargaining agreements, and unforeseen increases in natural gas prices.

The supplemental recommended by the Committee is funded entirely with local funds and a transfer of previously appropriated Federal funds. There is no new Federal money included. District officials and the control board certified $109,500,000 in additional local revenues above the original projections of $3,263,000,000 that were developed in December 1999 to support the fiscal year 2001 budget. The major areas of revenue increases are taxes and licenses and permits.

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

The Committee recommends a net increase of $5,140,000 within this appropriation title consisting of $5,400,000 to cover the 84 percent increase in the price of natural gas experienced by the District government and a rescission of $250,000 that was appropriated as a Federal payment in Public Law 106–522 on the condition that the Comptroller General assist the District in developing a solicitation for the study and design of a system to simplify the administration of personnel policies, including pay policies, for employees of the District government. District officials have stated that they are further along in their procurement effort and would be delayed if they were to comply with the conditions placed on the use of the $250,000. As a result the District's Chief Financial Officer requested that the funds be rescinded and the District's Personnel Officer has assured the Committee in a letter dated May 2, 2001 that "they expect to have the deliverables required by the Congress by the end of * * *" fiscal year 2001.

ECONOMIC DEVELOPMENT AND REGULATION

The Committee recommends an additional $1,625,000 for two programs under this appropriation title. A total of $1,000,000 is recommended for the Office of Business Services and Economic Development for the implementation of the District government's New E-Conomy Transformation Act of 2000 to attract and foster the growth of businesses involved in the development, production, distribution, and sale of Internet-based and other communications technologies. The amount of $625,000 is recommended to fund the city's abatement and condemnation efforts of nuisance properties as required under section 5–513 of the D.C. Code. The Committee has not approved language concerning the transfer of savings resulting from personnel vacancies or language that requires the deposit of funds into revolving accounts or the request that funds for the Department of Consumer and Regulatory Affairs not be available until certain actions are completed by June 1, 2001. That requirement would have been unenforceable since the date of June 1, 2001 has since passed.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

The Committee recommends a net increase of $8,770,000 for several activities within this appropriation account. A total of $2,800,000 is recommended for the Metropolitan Police Department consisting $800,000 to implement the photo radar contract program to photograph the license plates of speeders and $2,000,000 to pay an arbitration award made to the members of the Fraternal Order of Police involving a grievance concerning the curtailing of overtime pay to certain employees. The Committee recommends $5,940,000 for the Fire and Emergency Medical Services Department consisting of $5,540,000 for back payments and accrued interest resulting from delays in implementing programs allowing fire fighters to make pre-tax payments for pension and health and life insurance benefits, and $400,000 to cover the remaining costs of placing a fifth fire fighter on fire trucks. The Committee also recommends $161,000 for the Child Fatality Review Committee to examine the past events and circumstances leading to or causing the death of a child or youth, a committed ward of child welfare, or person with mental retardation and developmental disabilities. The Committee will operate as a distinct entity within the Chief Medical Examiner's office. The Committee also recommends the rescission of $131,000 for taxicab inspectors. This program is funded under the Public Works appropriation at the same level.

PUBLIC EDUCATION SYSTEM

(INCLUDING TRANSFER OF FUNDS)

The Committee recommends an additional $2,000,000 for the Public Education System consisting of $1,750,000 in local funds and $250,000 by transfer of previously appropriated Federal funds. A total of $1,000,000 is recommended for independent audits of public school enrollment counts and residency verification in the D.C. Public Schools and the D.C. Public Charter Schools as re-

quired by District statute. The Committee questions why these funds were not included in the regular annual budget, especially since the audit is required by law. The Committee also recommends an additional $1,000,000 for the operation of the Excel Institute Adult Education Program consisting of a transfer of $250,000 in Federal funds appropriated in Public Law 106–522 that are matched with $750,000 in local funds. A total of $2,000,000 in local funds was supposedly included by District officials in the District of Columbia Appropriations Act for fiscal year 2001 but upon closer examination there was only $1,000,000 that was included for construction and the acquisition of construction services from the General Services Administration on a reimbursable basis. Rather than rescind the $250,000 in Federal funds for the pay simplification system as requested by District officials, the Committee has transferred those funds to this appropriation title for the Excel Institute and recommends that those funds be matched with $750,000 in local funds. The Excel Institute is an Academic/Auto Technical Training School located in Northwest Washington. The Institute offers young men and women in the District the opportunity to train for a career, earn a high school equivalency diploma, and obtain an unsubsidized job in the automotive industry. The Committee has also approved language that requires any proceeds and interest accruing from the sale of the University of the District of Columbia's radio station WDCU held by the control board in an escrow account be used for the University's Endowment Fund and invested in equity based securities if approved by the District's Chief Financial Officer.

HUMAN SUPPORT SERVICES

The Committee recommends an additional $28,000,000 for activities within the Human Support Services appropriation. The Committee recommends $15,000,000 to cover the local share of Medicaid costs due to an increase in the number of clients receiving inpatient and specialty hospital services and an increase in enrollments in the managed care program. A total of $4,000,000 is recommended to cover modifications in the funding formula that has resulted in higher Disproportionate Share to Hospitals (DSH) payments for uncompensated care provided to District residents by local hospitals. The Committee recommends $3,000,000 for the District's Disability Compensation Fund to cover medical and compensation costs for an increased caseload, $1,000,000 for the Office of Latino Affairs to provide Latino Community Education grants to 6,000 families in the Latino community, and $5,000,000 for the Children Investment Trust to support a non-profit entity referred to as the Children and Youth Investment Trust Corporation. This corporation will coordinate the services provided to youth at the community level and disburse funds to community-based organizations that serve children, youth and their families with services that include early childhood development opportunities, safe and enriching centers for learning in and out of school, and other training, recreational, and educational services. The board of the corporation consists of members appointed by the Mayor and Council as well as four government officials who serve as advisory members of the board.

PUBLIC WORKS

The Committee recommends $131,000 from local funds for the Taxicab Commission for taxicab inspectors. This function was previously performed by the Metropolitan Police Department which had reduced the number of hack inspectors from six to three. The Taxicab Commission is expected to place a higher priority on taxicab enforcement and reducing the number of complaints.

WORKFORCE INVESTMENTS

The Committee recommends an appropriation of $40,500,000 from local funds to fund anticipated compensation increases from current labor negotiations. The District's major bargaining units are renegotiating contracts that expired on September 30, 2000.

WILSON BUILDING

The Committee recommends an additional $7,100,000 from local funds to make up a shortfall in budgeting by District officials for funds needed for the relocation of various District agencies to the John A. Wilson Building.

CAPITAL OUTLAY

The Committee recommends approval of the reallocation of $4,850,000 from five existing projects that have had no implementation activity since fiscal year 1999 to six projects involving buildings of historical significance in the District and the funding of a program manager. The six government buildings selected will be renovated. The dormant projects are: Electrical Modernization-Old Juvenile Court, $2,650,000; Asbestos Abatement-Oak Hill Juvenile Court, $525,000; Condition Assessments, $159,080; Electrical Modernization-Various DC Facilities, $1,000,000; Building Renovations—Old Juvenile Court, $525,000. These dormant projects total $4,859,080. The properties to be renovated are: Recorder of Deeds at 5th and D Street, N.W., $2,000,000; Old Navy Hospital at 921 Pennsylvania Avenue, S.E., $400,000; Tivoli Theater at 14th Street and Park Road, N.W., $1,000,000; 10th Precinct Building at 750 Park Road, N.W., $450,000; Lamond Recreation Center, $400,000; Riggs-Lasalle Recreation Center at 501 Riggs Road, N.E., $400,000. The reallocation also includes $200,000 for the program manager.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

The Committee recommends an additional $2,151,000 from local funds for the Water and Sewer Authority to cover the costs of the Public Space Occupancy Permit Rental Fee ("right-of-way" fee) imposed by the District on WASA and increased costs for compliance activities related to the District's stormwater permit.

CHAPTER 3

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

The Committee has provided $18,000,000 for the Mississippi River and Tributaries project for the Corps of Engineers to address emergency needs resulting from severe localized spring flooding and other natural disasters. The funds would be used to address the damages caused by flooding by placing more revetment squares; repairing scours that threaten a pumping station, a public road and tributary levees; and replacing relief wells that threaten the stability of a pumping station. Funds would also be used to dredge silted channels, remove drift and repair levee slides. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

OPERATION AND MAINTENANCE, GENERAL

The Committee has provided $115,500,000 for the Corps of Engineers to address emergency needs resulting from recent Midwestern and other floods, ice storms, an earthquake, and other natural disasters. The funds would be used to dredge commercial navigation channels, remove debris, repair damaged revetments and dam embankments, and repair damaged buildings and equipment at Corps of Engineers projects. The Committee has also included language which directs the Corps of Engineers to undertake the project authorized by section 518 of the Water Resources Development Act of 1999. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

Corps of Engineers projects in the Tulsa, Little Rock, and Vicksburg Districts were particularly hard hit by winter ice storms and the funds provided will enable the Corps to make necessary repairs to damaged facilities.

Areas of Louisiana, Alabama and Texas received over 30 inches of rain over a eight day period as a result of Tropical Storm Allison. The funds provided will enable the Corps to address flooding problems, restore appropriate depths of navigable waterways and other damages in the New Orleans, Galveston and Mobile districts.

FLOOD CONTROL AND COASTAL EMERGENCIES

The Committee has provided $50,000,000, the same as the amount requested by the Administration, for Flood Control and Coastal Emergencies for the repair of eligible Federal and non-Federal facilities damaged by natural disasters. The entire amount is designated by the Congress as an emergency requirement pursuant

to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

NON-DEFENSE ENVIRONMENTAL MANAGEMENT

The Committee recommendation includes $11,950,000 for Non-Defense Environmental Management, an increase of $550,000 over the request of $11,400,000. Additional funding of $10,000,000 is provided to continue cleanup at the Brookhaven National Laboratory in New York, and $1,950,000 is provided to study remediation options at the former Atlas Corporation's uranium mill tailings site near Moab, Utah.

URANIUM FACILITIES MAINTENANCE AND REMEDIATION

The Committee recommendation includes $18,000,000 for Uranium Facilities Maintenance and Remediation, to be derived from the Uranium Enrichment Decontamination and Decommissioning Fund, as proposed by the Administration. Additional funding of $9,000,000 has been provided to support cleanup activities at Paducah, Kentucky, and $9,000,000 has been provided to continue decontamination and decommissioning activities at the former gaseous diffusion plant in Oak Ridge, Tennessee.

POWER MARKETING ADMINISTRATIONS

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

The Committee recommendation for the Western Area Power Administration (Western) is $1,578,000 to complete the planning and environmental studies to support the proposed 84-mile, 500-kilovolt transmission line between Los Baños and Gates (also known as "Path 15") in California. Path 15 is presently a bottleneck in the transmission of electricity between northern and southern California. The additional funds will allow Western to complete the planning for the proposed transmission project, including coordination with potential nonfederal sponsors for the project. Funds are also provided for Western to update the environmental impact documentation originally completed in 1986. These funds are non-reimbursable so that existing Western customers do not have to repay these costs to the Federal government.

GENERAL PROVISION—THIS CHAPTER

The Committee has included bill language to direct the Corps of Engineers to use $500,000 of the funds provided in Public Law 106-377 to complete work on the Chickamauga Lock, Tennessee feasibility study.

CHAPTER 4

DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

The Committee recommends $50,000,000 for operation of Indian programs, as requested by the Administration, to allow for the repayment by the Bureau of Indian Affairs to the land acquisition accounts of the Bureau of Land Management, the United States Fish and Wildlife Service, and the National Park Service. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

In May 2001, the Secretary of the Interior used her transfer authority in Section 102 of the FY 2001 Interior and Related Agencies Appropriations Act, Public Law 106–291, to provide a total of $41,000,000 to prevent the shutdown of the San Carlos Irrigation Project (SCIP) electric power operations in Arizona. The transfers are expected to cover the cost of power purchases for May through the end of August. The additional funds above the amount required for reimbursement are to ensure that there are sufficient funds to cover the cost of summer power requirements. The need for this funding is due to: (1) SCIP's regional linkage to the California power market and low western reservoirs, which contribute to high electricity prices; (2) the lack of alternative power providers in SCIP's service area, which leaves certain residents, such as diabetics on dialysis, vulnerable to illness or death should power be cut off; (3) and the inability of SCIP to obtain sufficient funding to purchase power by other means. The potential loss of power would have a disastrous effect on the economy and human population of south-central Arizona. The Department of the Interior is drafting legislation to authorize the divestiture of SCIP assets and the Administration hopes to proceed expeditiously.

UNITED STATES FISH AND WILDLIFE SERVICE

CONSTRUCTION

The Committee recommends $17,700,000 for construction, to remain available until expended, to repair damages to U.S. Fish and Wildlife Service facilities caused by floods, ice storms, and earthquakes in the States of Washington, Illinois, Iowa, Minnesota, Missouri, Wisconsin, New Mexico, Oklahoma, and Texas. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATIONAL PARK SERVICE

UNITED STATES PARK POLICE

The Committee recommends $1,700,000 for United States park police for unbudgeted increases in pension costs for retired United States park police officers. These funds will allow for reinstatement

of the recruit training class that has been delayed to pay the increased retirement costs.

RELATED AGENCY

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

STATE AND PRIVATE FORESTRY

The Committee recommends $22,000,000 for State and private forestry for emergency activities associated with ice storm damage in the States of Arkansas and Oklahoma, and for emergency pest suppression in several areas of the country. The recommendation includes $10,000,000 for ice storm damage and $12,000,000 for pest suppression and prevention activities on Federal, State, Tribal, and private lands. The funds to address ice storm damage are for technical forestry and community assistance, development of recovery plans, forest regeneration on non-Federal lands, and community fire assistance including community fire presuppression, suppression and prevention activities. The funds for pest suppression and prevention activities should be focused on emergency needs such as suppression of southern pine beetles in the South, addressing the increasing sudden oak death needs in California and Oregon, suppression of bark beetles in the West, restoration of forests destroyed by spruce and mountain pine beetles, and emergency development, production, and release of beetles for the purpose of Hemlock woolly adelgid biocontrol. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATIONAL FOREST SYSTEM

The Committee recommends $12,000,000 for the national forest system for emergency activities associated with ice storm damage in the States of Arkansas and Oklahoma, and for emergency response to the emerging problem of illegal marijuana cultivation and trafficking in California and Kentucky. Within the amount recommended, $10,000,000 is to address ice storm damage for activities associated with forest restoration including the preparation and sale of forest products, re-establishment of forested areas, restoration of wildlife habitat, and recreation site cleanup; and $2,000,000 is to address the emerging illegal cultivation and trafficking of marijuana in California and Kentucky. Such funds shall be available for increased agency law enforcement activity and increased cooperative support to State and local agencies. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

WILDLAND FIRE MANAGEMENT

The Committee recommends $100,000,000 for wildland fire management to address additional requirements for the 2001 fire season. Current indications are that the agency's fire fighting capa-

bility and available resources are likely to be insufficient to meet demand. The Committee reminds the Administration, that a significant debt of over $300,000,000 exists, due to borrowing from the Knutson-Vandenburg funds for past fire suppression activities. It is important that repayment of such borrowing be a high priority, should year-end Wildland Fire Management balances afford such an opportunity. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

CAPITAL IMPROVEMENT AND MAINTENANCE

The Committee recommends $4,000,000 for capital improvement and maintenance to repair damages caused by ice storms in Arkansas and Oklahoma. Such funds are available for activities including maintenance and reconstruction of roads accessing national forest and research sites and facilities, maintenance and restoration of trails, and maintenance and minor reconstruction of administrative and recreation facilities. The entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

GENERAL PROVISIONS—THIS CHAPTER

The Committee recommends bill language to permit completion of a wilderness study at Apostle Islands National Lakeshore, WI by the National Park Service. An amount of $200,000 was provided in fiscal year 2001 to complete this study. Because the study will not be completed until fiscal year 2003, the Committee recommends extending the availability of these funds.

The Committee recommends bill language extending the availability of funds provided in fiscal year 2001 for maintenance, protection and preservation of land in the Minuteman Missile National Historic Site, South Dakota. The projects for which $5,000,000 was made available to the National Park Service, through the Air Force operations and maintenance account, cannot be completed this fiscal year.

The Committee recommends bill language to correct a Public Law reference in section 338 of the Interior and Related Agencies Appropriations Act for fiscal year 2001.

The Committee recommends bill language modifying a provision in Public Law 106–558 in order to authorize the payment of full overtime rates for fire fighters in fiscal year 2001.

The Committee recommends bill language to permit the Forest Service to receive reimbursement for expenditures for projects that otherwise qualify for the use of Federal-aid highways funds. Emergency relief for Federally-owned roads is routinely made available to the Forest Service in the form of Federal-aid highways funds (Department of the Treasury account 12–69X8083). These monies provide critical funding for the repair of forest roads made necessary by storms, floods, and other natural occurrences. However, timely repair work is often needed prior to Federal-aid highways funds being made available to the Forest Service by the Federal Highway Administration. This time lag in the provision of Federal-

aid highways funds necessitates the interim use of agency funds, which were budgeted specifically for other projects, to complete such repairs. The ability to reimburse accounts that were used to fund projects, which would otherwise qualify for the use of Federal-Aid Highways funds, is necessary to assure that both needed emergency repair work and regularly planned, budgeted, and approved projects are completed.

CHAPTER 5

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(RESCISSION)

The bill includes a rescission of $359,000,000 from funds provided in P.L. 106–554 to support the activities of the Workforce Investment Act (WIA). The rescission is from amounts provided on an advance basis for fiscal year 2002 to support WIA activities in program year 2001. No rescission was requested by the Administration.

The Department of Labor estimates that States will carry-in balances of $1,778,000,000 on July 1, 2001, the beginning of program year 2001. The Committee understands from the Department that historically States have carried-in approximately $1,000,000,000 annually among the three WIA block grants.

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 provided advance appropriations for the adult and dislocated worker employment and training activities totaling $1,772,000,000. At the time the Committee provided these advance appropriations, it did not anticipate such high levels of unexpended balances in WIA block grant programs.

In view of the large carry-in balances, the Committee recommendation rescinds $359,000,000 from these advanced amounts, of which $100,000,000 is from adult employment and training activities and $259,000,000 is from dislocated worker employment and training activities. Even with the rescission, States will have available an estimated $5,107,000,000 to support WIA activities in program year 2001, $455,000,000 over amounts available in program year 2000.

The President's fiscal year 2002 budget recommends reducing WIA funding by $359,000,000 for program year 2002 in order to reduce the high level of carry-in balances in each of the three WIA block grants. The Committee believes that rescinding a portion of the advance appropriations for these activities now will provide more time for the States, the Administration, and the Congress to examine program expenditure patterns and assess future WIA training and employment service needs.

PROGRAM ADMINISTRATION

It has come to the Committee's attention that a number of communities are experiencing delays in the Department of Labor's

processing of petitions for Trade Adjustment Assistance. For localities whose workers have been adversely affected by imports and trade agreements these job training and reemployment benefits are crucial. The Committee urges the Department of Labor to expedite the investigation and certification processes for these benefits.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The funding available for construction and renovation of Scripps Memorial East County Hospital in El Cajon, California shall be divided equally between Sharps Grossmont Hospital, located in San Diego County and El Centro Regional Medical Center, located in Imperial County.

ADMINISTRATION FOR CHILDREN AND FAMILIES

LOW INCOME HOME ENERGY ASSISTANCE

The bill includes $300,000,000 to serve as a reserve to provide home energy assistance to low-income households, including the needs of low-income households arising from extreme summer heat or other emergencies, as defined in section 2603 of the Omnibus Budget Reconciliation Act of 1981. This is $150,000,000 above the Administration's supplemental request. The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001 (P.L. 106–554) provided $300,000,000 in contingent emergency funds for LIHEAP. These funds were released in their entirety on December 30, 2000, to address high heating fuel prices.

DEPARTMENT OF EDUCATION

EDUCATION REFORM

The bill includes a provision to make a technical correction relating to a project specified in the statement of the managers on the conference report accompanying the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001.

EDUCATION FOR THE DISADVANTAGED

The bill includes a provision to make a technical correction relating to the amount of funding available for Basic Grants in school year 2001–2002.

The bill also includes an additional $161,000,000 for the Title I Grants to States program. It is the intent of the Committee that, when taken together with the technical correction to the basic grants amount, these additional resources will result in a final fiscal year 2001 appropriation of $7,397,971,000 for basic grants and $1,364,750,000 for concentration grants. The Committee further intends that these additional resources will be used to provide each state and local educational agency the greater of either the amount it would receive at levels specified in the conference report to ac-

company H.R. 4577 under the 100-percent hold harmless or what it would receive using the statutory formulas. The additional funds are necessary to fully implement this agreement using updated poverty and expenditure data that became available in January 2001.

IMPACT AID

The bill includes a provision requiring Impact Aid construction funds to be distributed in accordance with the formula provisions outlined in section 8007 of the Impact Aid program as that section existed in fiscal year 2000.

SPECIAL EDUCATION

The bill includes a provision to make a technical correction relating to a project specified in the statement of the managers on the conference report accompanying the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

The bill includes a provision to make technical corrections relating to the amount of funding available for projects specified in the statement of the managers on the conference report accompanying the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2001.

CHAPTER 6

LEGISLATIVE BRANCH

CONGRESSIONAL OPERATIONS

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

The bill provides the traditional death gratuity for the widow of Norman Sisisky, late a Representative from the Commonwealth of Virginia, and the heir of John Joseph Moakley, late a Representative from the Commonwealth of Massachusetts.

SALARIES AND EXPENSES

MEMBERS' REPRESENTATIONAL ALLOWANCES, STANDING COMMITTEES, SPECIAL AND SELECT, COMMITTEE ON APPROPRIATIONS, ALLOWANCES AND EXPENSES

The bill includes an additional $44,214,000 for Members' Representational Allowances (MRA's), standing committees, special and select, the Committee on Appropriations and allowances and expenses. Funds for MRA's and committees have been requested by the House in the Administration's supplemental submission to support the increased authorizations recently approved by the House of Representatives. Funds are also provided for increased benefit costs associated with the related staff increases.

Since the Committee on House Administration Committee funding resolution spans the biennial period of the 107th Congress, the bill provides $9,776,000 within the above amount to remain available until December 31, 2002, for committee salaries and expenses.

SALARIES, OFFICERS AND EMPLOYEES

The bill provides an additional amount for salaries and expenses of the Office of the Clerk and the Office of the Chief Administrative Officer totaling $17,448,000. The Clerk is provided $3,150,000 including $2,500,000 for the continuation of the project to replace the current Legislative Information Management Systems (LIMS) and $650,000 to fund anticipated expenses of the Office of the House Employment Counsel.

The Chief Administrative Officer is provided $14,298,000. This funding will allow upgrades to hardware and infrastructure for improved and higher speed network connectivity between Member Washington and district offices and within the House campus.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

The bill provides $35,000 to the Office of Compliance for unexpected requests for counseling and mediation services.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

The bill provides $11,900,000 to fund a shortfall based on the increased volume of printing of publications and associated information products and services ordered by Congress during fiscal years 2000 and 2001.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Committee recognizes the need to replace the air conditioning system at the Government Printing Office. The chillers, which date back to the 1970's, are in critical need of replacement. They have outlived their useful life and are obsolete, energy inefficient, and pose a threat to the environment through the use of chlorofluorocarbons. In order to avoid the potential failure of the entire system and provide for energy efficient lighting, the bill provides the necessary funding of $6,000,000.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

The Library of Congress and the United States Military Academy initiated a collaborative telecommunications project during fiscal year 2001 to ensure that the undergraduate cadet population has effective access to digitized primary source material which is available through the Library's Internet site. To further the project, the Committee has provided an additional $600,000 to upgrade the current network infrastructure within the cadet barracks.

The Committee acknowledges that the Library of Congress is endeavoring to acquire the 1507 world map by Waldseemueller and

is seeking private funding to support the acquisition. The committee fully supports the initiative to acquire this major treasure for its library. The 1507 World Map by Martin Waldseemueller, the first work of any kind to designate as America the newly discovered Western Hemisphere, is often called "America's birth certificate." As such this nearly 500-year old map is a significant historical document that should be held by the people of the United States and exhibited in Congress' library. The Committee urges the librarian to seek an extension from the German Ministry of Culture to its June 30, 2001, deadline for the expiration of the export license to allow the Library of Congress every opportunity to acquire for America this most important historical document.

CHAPTER 7

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

GRANTS-IN-AID FOR AIRPORTS

(AIRPORT AND AIRWAY TRUST FUND)

(RESCISSION OF CONTRACT AUTHORIZATION)

The bill rescinds $30,000,000 in contract authority for the "Grants-in-aid for airports" program. This funding is above annual obligation limitations on this program, and is therefore not available for use in the program. As such, the rescission will have no effect on current operations.

COAST GUARD

OPERATING EXPENSES

The recommendation includes an additional $92,000,000, as requested, for Coast Guard operating expenses. Funding has been made available until September 30, 2002. These funds are needed to address: increased fuel costs ($37,000,000); additional pay and benefits mandated or authorized under the National Defense Authorization Act for Fiscal Year 2001 ($31,000,000); shortages in aviation spare parts ($20,000,000); and costs of deploying port security units to the Middle East ($4,000,000).

CHAPTER 8

DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

The Committee has not provided the President's request for an additional $60,601,000 to fund operational and perimeter security support for the 2002 Winter Olympics in Salt Lake City, Utah. The Committee supports this funding, which would cover both increased Treasury Department workload as well as travel, overtime and related costs of agencies providing security support. The Com-

mittee expects to include such funding in the fiscal year 2002 appropriation.

FINANCIAL MANAGEMENT SERVICE

SALARIES AND EXPENSES

The Committee recommends an appropriation of $49,576,000 for the Financial Management Service to implement a tax rate reduction credit as specified in section 101 of the Economic Growth and Tax Relief Reconciliation Act of 2001. The funding supports the purchase of check stock and other related paper supplies, as well as postage and other costs associated with processing and mailing tax rate reduction credit checks to taxpayers. The Committee directs the Financial Management Service to provide a detailed report on the expenditures made pursuant to this appropriation 120 days after the enactment of this Act.

INTERNAL REVENUE SERVICE

PROCESSING, ASSISTANCE, AND MANAGEMENT

The Committee recommends an appropriation of $66,200,000 for the Internal Revenue Service to implement a tax rate reduction credit as specified in section 101 of the Economic Growth and Tax Relief Reconciliation Act of 2001. The funding supports advance mailings to taxpayers of the tax rate reduction credit schedule as well as related customer service and account reconciliation activities. The Committee directs the Internal Revenue Service to provide a detailed report on the expenditures made pursuant to this appropriation 120 days after the enactment of this Act.

CHAPTER 9

DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

The Committee recommends an additional $589,413,000 for compensation and pension payments to eligible veterans. Supplemental funds are needed in fiscal year 2001 in order to meet cost of living adjustments, and program enhancements and benefits contained in legislation enacted after passage of the fiscal year 2001 appropriations bill.

READJUSTMENT BENEFITS

The Committee recommends an additional $347,000,000 to meet Montgomery GI Bill benefit enhancements contained in legislation enacted after passage of the fiscal year 2001 appropriations bill.

VETERANS HEALTH ADMINISTRATION

MEDICAL AND PROSTHETIC RESEARCH

The Committee recognizes that the VA research program must undertake a certain level of travel to properly optimize the function and oversight of this worthwhile program and includes language

increasing the current fiscal year 2001 travel limitation from $2,500,000 to $3,500,000.

DEPARTMENTAL ADMINISTRATION

GENERAL OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The Committee recommends $19,000,000 be transferred from the Medical Care account to General Operating Expenses exclusively for the Veterans Benefits Administration (VBA). VBA is aggressively pursuing a proactive approach to solving the mounting claims problem by hiring and training additional claims adjudicators immediately. The additional $19,000,000 from Medical Care, plus $7,000,000 of reprogrammed GOE funds, will allow VBA to hire and train approximately 400 new personnel.

As a result of the hiring plan, VBA will need an increased travel limitation in FY 2001 over the originally requested level to support this training effort. The new fiscal year 2001 GOE travel limitation is $17,500,000.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PUBLIC AND INDIAN HOUSING

HOUSING CERTIFICATE FUND

(RESCISSION)

The Committee recommendation includes a rescission of $114,300,000 of unobligated appropriations to the Housing Certificate Fund and its predecessor programs.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

The Committee has included language which clarifies Congressional intent with respect to appropriations made for construction at a New Jersey university medical center, to improve cyber-districts in Massachusetts, and for wastewater and combined sewer overflow infrastructure improvements in Massachusetts.

HOUSING PROGRAMS

MANUFACTURED HOUSING FEES TRUST FUND

The recommendation includes language to provide authority for the expenditure of fees collected and deposited into the Manufactured Housing Fees Trust Fund for fiscal year 2001. The Manufactured Housing Improvement Act of 2000, enacted on December 27, 2000, created this new fund and made expenditures from the fund subject to annual appropriations. Technical drafting errors in the statute have resulted in HUD being unable to spend fees collected in fiscal year 2001, threatening a shutdown of the program. Therefore, language is included to rectify this situation.

FEDERAL HOUSING ADMINISTRATION

FHA—MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

The recommendation includes language giving the Department authority to use existing fiscal year 2001 appropriations to take corrective action in response to a probable fiscal year 2000 violation of the Anti-Deficiency Act. In fiscal year 2000, FHA funded a $33,000,000 advertising campaign promoting HUD programs. A portion of this program's funding was derived from a non-appropriated account, the authorized use of which is limited to disposition of FHA properties. According to HUD officials, the use of this fund has resulted in a likely violation of the Anti-Deficiency Act that is estimated by HUD to total $6,900,000 plus interest. The Committee's recommendation includes language to allow HUD flexibility to pay the obligation and accrued interest from within existing fiscal year 2001 appropriations for FHA administrative expenses and for HUD's salaries and expenses.

FHA—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT

The recommendation includes an additional $40,000,000 in credit subsidy appropriations for the General Insurance and Special Risk Insurance (GI/SRI) program account. The Committee notes that for the second consecutive year, FHA has sought a supplemental appropriation because of the inability of the programs to operate within the resources provided. This additional appropriation, when combined with a premium increase for apartment development programs as assumed in the Administration's supplemental funding request, will provide FHA sufficient resources to guarantee all multi-family loans meeting FHA underwriting criteria through the remainder of this fiscal year. Changes in the premium structure will ensure that most FHA apartment development programs operate in a self-sustaining manner like most other FHA programs, including the single-family insurance program, thereby averting further shutdowns in the program. Therefore, language is also included to condition the release of this additional amount upon implementation of an interim final rule revising premium structure for programs provided for under this heading.

The Committee is also concerned that insufficient FHA management and oversight has contributed to the inability of the programs to operate within the funding provided. Increased FHA management and oversight of these programs, coupled with reduced reliance on direct appropriations, will enable FHA programs to operate in an uninterrupted manner. The Committee expects FHA to take all actions necessary to strengthen its management and financial oversight of these programs, and to provide a report to the Committee no later than August 15, 2001, identifying the corrective actions taken to address these issues.

INDEPENDENT AGENCIES

DEPARTMENT OF DEFENSE—CIVIL

CEMETERIAL EXPENSES, ARMY

SALARIES AND EXPENSES

The Committee recommends an additional $243,059 for Arlington National Cemetery to pay a disputed water bill consistent with statutory requirements in the Consolidated Appropriations Act, 2001 (Public Law 106–554).

ENVIRONMENTAL PROTECTION AGENCY

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

The Committee has included language in the bill which clarifies Congressional intent with respect to an appropriation made in fiscal year 2001 for work on New York watersheds.

STATE AND TRIBAL ASSISTANCE GRANTS

The Committee has included language in the bill which clarifies Congressional intent with respect to appropriations made for four specific projects. The Committee has also included a technical amendment which states the correct appropriations level provided in Public Law 106–377 for state and tribal assistance grants.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

(RESCISSION)

The Committee has included a provision rescinding $389,200,000 from the disaster relief fund. These funds are not required by the Federal Emergency Management Agency at this time.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

The Committee has included language in the bill which would remove a restriction placed on $40,000,000 of the funding provided in the fiscal year 2000 appropriation for Human Space Flight. The fiscal year 2000 language restricted the use of the funding for a shuttle research mission to be accomplished after STS–107 and December of 2001. With delays in the overhaul of the space shuttle Columbia, and other delays caused by changes to the shuttle manifest, NASA's STS–107 research mission has been rescheduled for May of 2002 and the follow-on mission is not currently manifested. NASA has already used $8,000,000 of the $40,000,000 set-aside to prepare for the follow-on mission. With this language change, NASA will be able to use $17,000,000 to cover the costs associated with the delay of STS–107 mission and $15,000,000 will be used for research to be carried out on the International Space Station. The Committee remains concerned about the level of research conducted on the International Space Station and wishes to stress the

importance of utilizing the laboratory facilities for scientific research.

The Committee is concerned to learn that the follow-on research mission is not even scheduled until 2004. This mission was intended as a gap-filler to support the scientific community during construction of the International Space Station. Pushing this mission back another three years will only further exacerbate existing strains on the underfunded life and microgravity science community.

The supplemental request had sought authority to offset further costs for preparing STS–107 from the $15,000,000 set aside for space station research. This request is denied. If further funding is required for STS–107 in fiscal year 2002, NASA is directed to submit a budget amendment to identify funds for this purpose. According to the Congressional Research Service, $462,000,000 has been transferred from space station research to construction from fiscal years 1996–98. These constant transfers have undermined the preparedness of the research community to utilize the station and created an atmosphere of significant uncertainty. The Committee is also aware that NASA has proposed a significant space station research realignment in fiscal year 2002. Further transfers would be extremely detrimental to research efforts. Therefore, the Committee language requires that $15,000,000 only be used for space station research. The Committee supports the completion of the STS–107 mission but believes that whenever possible future year liabilities should be addressed through regular order instead of through anticipated reprogrammed actions.

GENERAL PROVISION—THIS CHAPTER

Sec. 2901. The bill includes a provision that clarifies congressional intent that funds appropriated for the Community development fund shall be available for two fiscal years.

TITLE III

GENERAL PROVISION—THIS ACT

Section 3001. This provision provides that no part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided in this Act.

Section 3002. The bill includes a general provision that requires, within five days of enactment of this Act, the Secretary of State to report to the Committee on Appropriations on the projected uses of the unobligated balances of funds available under the heading "Agency for International Development, International Disaster Assistance", including plans for allocating additional resources to respond to the damage caused by the earthquakes that occurred in El Salvador in January and February, 2001.

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law.

The bill includes several appropriations that are not authorized by law and as such may be construed as legislative in nature.

The bill includes several emergency appropriation designations that may be construed as legislative in nature.

Language has been included for Department of Defense—Military, in "Operation and Maintenance, Army", which extends the availability of funds for California energy demand reduction.

Language has been included for Department of Defense—Military, in "Operation and Maintenance, Navy", which extends the availability of funds for California energy demand reduction.

Language has been included for Department of Defense—Military, in "Operation and Maintenance, Air Force", which extends the availability of funds for California energy demand reduction.

Language has been included for Department of Defense—Military, in "Shipbuilding and Conversion, Navy", which provides funds for transfer to other shipbuilding programs.

Language has been included for Department of Defense—Military, in "Defense Health Program", which provides funds to cover increases in TRICARE contract costs associated with the provision of health care services to eligible beneficiaries of all the uniformed services.

Language has been included for Department of Defense—Military, in "Defense Health Program", which provides funds to improve the quality of care provided at military treatment facilities.

Language has been included for Department of Defense—Military, which restricts the availability of funds provided in this Act to the same time period as the amounts appropriated in Public Law 106–259 unless otherwise specified.

Language has been included for Department of Defense—Military, concerning funds for intelligence related programs.

Language has been included for Department of Defense—Military, which provides funds for the repair of the U.S.S. COLE.

Language has been included for Department of Defense—Military, which rescinds funds from various activities funded in previously enacted Defense Appropriations Acts.

Language has been included for Department of Defense—Military, which provides funds for facilities repair and damages resulting from natural disasters.

Language has been included for Department of Defense—Military, which extends the authorities provided in section 816 of the National Defense Authorization Act for 1995 (Public Law 103–337), as amended, through January 31, 2002.

The bill includes language under Title I, Chapter 3, which provides funds for Military Construction, Army, Military Construction, Navy, Military Construction, Air Force, Family Housing, Army, Family Housing, Navy and Marine Corps, Family Housing, Air Force, and the Department of Defense Base Realignment and Closure Account 1990.

A general provision is included authorizing the Department of the Army to expend funds in addition to amounts specified in section 138 of Public Law 106–246 for the Cadet Physical Development Center only for the purposes of meeting unanticipated price increases.

A general provision is included making funds provided in Chapter 3 available for the same time period as the amounts appropriated under each such heading in Public Law 106–246.

The bill includes a general provision that directs the Corps of Engineers to use $500,000 of the funds provided in Public Law 106–377 to complete work on the Chickamauga Lock, Tennessee feasibility.

A general provision is included rescinding funds from previous Military Construction Appropriations Acts.

The bill includes language which makes technical corrections regarding the Rural Community Advancement Program.

The bill includes a provision that clarifies the authorized uses of funds under a small business grant program.

The bill includes rescissions under "Governmental Direction and Support" and under "Public Safety and Justice".

The bill includes the transfer of funds under "Public Education System".

The bill includes language under "Public Education System" which requires proceeds and interest accruing thereon from the sale of the University of the District of Columbia radio station WDCU that are in an escrow account of the control board to be used for the University's Endowment Fund and allows the funds to be invested in equity based securities if approved by the District's Chief Financial Officer.

The bill includes language which directs the Corps of Engineers to undertake the project authorized by section 518 of Public Law 106–53.

The bill includes language under Weapons Activities providing for the initiation of two construction projects in fiscal year 2001.

The bill includes language under Western Area Power Administration providing that the funds to complete the planning and environmental studies to support the proposed transmission line shall be non-reimbursable.

The bill includes a provision that extends the availability of funding for a wilderness study at Apostle Islands National Lakeshore and for maintenance, protection and preservation of land at the Minuteman Missile National Historic Site; correcting a citation in a provision from the fiscal year 2001 Interior and Related Agencies Appropriations Act; changing the effective date of a provision dealing with overtime pay for fire fighters; and permitting the reimbursement of Federal-aid highways funds for Forest Service emergency road reconstruction.

The bill includes a provision that provides additional Low Income Home Energy Assistance funding under emergency authority without the emergency designation requirement.

The bill includes a provision that requires Impact Aid construction funds to be distributed in accordance with the formula provisions outlined in section 8007 of the Elementary and Secondary Education Act of 1965 as that section existed in fiscal year 2000.

The bill includes language under the Department of Veterans Affairs, medical and prosthetic research and general operating expenses, which changes the limitation on travel expenditures.

The bill includes language under the Department of Veterans Affairs, which transfers money from medical care to general operating expenses for the purpose of expediting claims processing.

The bill includes language under the Department of Housing and Urban Development, manufactured housing fees trust fund, providing authority for expenditure of fees collected in the Fund in fiscal year 2001.

The bill includes language under the Department of Housing and Urban Development, FHA—mutual mortgage insurance fund program account, permitting funds available in fiscal year 2001 for FHA administrative expenses and HUD salaries and expenses to be used to liquidate deficiencies, which occurred in fiscal year 2000.

The bill includes language under the Department of Housing and Urban Development, FHA—general and special risk insurance, limiting the availability of funds until implementation of a final interim rule revising the premium structure of program provided under this account.

The bill includes language under the National Aeronautics and Space Administration, human space flight, which deletes a restrictive proviso included in the fiscal year 2000 appropriation.

The bill includes a provision that provides that of the unobligated balances available under the heading "National Aeronautics and Space Administration, Human space flight," $15,000,000 shall be used only for research to be carried out on the International Space Station.

The bill includes a provision that requires within five days of enactment of this Act the Secretary of State to report to the Committee on Appropriations on the projected uses of the unobligated balances of funds available under the heading "Agency for International Development, International Disaster Assistance."

In several instances, funds are provided to remain available until expended.

APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

[In thousands of dollars]

Agency/Program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Department of Defense—Military:				
Military Personnel, Army	2001	(1)	$22,175,357	$164,000
Military Personnel, Navy	2001	(1)	17,772,297	84,000
Military Personnel, Marine Corps	2001	(1)	6,833,100	69,000
Military Personnel, Air Force	2001	(1)	18,174,284	119,500
Reserve Personnel, Army	2001	(1)	2,473,001	52,000
Reserve Personnel, Air Force	2001	(1)	971,024	8,500
National Guard Personnel, Army	2001	(1)	3,782,536	6,000
National Guard Personnel, Air Force	2001	(1)	1,641,081	12,000
Operation and Maintenance, Army	2001	$19,280,381	19,144,431	666,100
Operation and Maintenance, Navy	2001	23,766,610	23,419,360	1,015,100
Operation and Maintenance, Marine Corps	2001	2,826,291	2,778,758	54,400
Operation and Maintenance, Air Force	2001	22,395,221	22,383,521	848,000
Operation and Maintenance, Defense-Wide	2001	11,740,569	11,844,480	123,100
Operation and Maintenance, Army Reserve	2001	1,561,418	1,562,118	20,700
Operation and Maintenance, Navy Reserve	2001	978,946	978,946	12,500
Operation and Maintenance, Marine Corps Reserve	2001	144,159	145,959	1,900
Operation and Maintenance, Air Force Reserve	2001	1,903,859	1,903,659	34,200

[In thousands of dollars]

Agency/Program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Operation and Maintenance, Army National Guard	2001	3,182,335	3,333,835	39,300
Operation and Maintenance, Air National Guard	2001	3,468,375	3,474,375	119,700
Other Procurement, Army	2001	4,235,719	4,497,009	3,000
Shipbuilding and Conversion, Navy	2001	12,826,919	11,614,633	222,000
Aircraft Procurement, Air Force	2001	9,923,868	7,583,345	84,000
Procurement of Ammunition, Air Force	2001	646,808	647,808	73,000
Missile Procurement, Air Force	2001	2,863,778	2,863,778	15,500
Other Procurement, Air Force	2001	7,711,647	7,763,747	85,400
Procurement, Defense-Wide	2001	2,278,408	2,346,258	5,800
Research, Development, Test and Evaluation, Army	2001	5,568,482	6,342,552	5,000
Research, Development, Test and Evaluation, Navy	2001	8,715,335	9,494,374	151,000
Research, Development, Test and Evaluation, Air Force	2001	13,779,144	14,138,244	275,500
Research, Development, Test and Evaluation, Defense-Wide	2001	10,681,652	11,157,375	94,100
Defense Working Capital Funds	2001	916,276	916,276	178,400
Defense Health Program	2001	11,124,237	11,414,393	1,654,600
Drug Interdiction and Counter-Drug Activities, Defense	2001	869,000	869,000	1,900
Military Construction, Army	2001	737,595	936,245	62,000
Military Construction, Navy	2001	928,273	928,273	9,400
Military Construction, Air Force	2001	870,208	882,208	8,000
Family Housing, Army	2001	1,187,749	1,187,749	29,480
Family Housing, Navy and Marine Corps	2001	1,299,722	1,299,722	20,300
Family Housing, Air Force	2001	1,072,861	1,072,861	18,000
Base Realignment and Closure	2001	1,024,369	1,024,369	9,000
Department of Energy:				
Non-Defense Environmental Management	1984	(2)	(2)	11,950
Weapons Activities-Project 01–D–107 Atlas relocation [3]	2001	3,689	3,689	3,689
Weapons Activities-Project 01–D–108 MESA Complex [3]	2001	9,500	9,500	9,500
Western Area Power Administration	1984	259,700	194,630	1,578
Department of Education:				
Education for the Disadvantaged/Grants to LEAs	2000	(4)	7,941,397,000	161,000,000
House of Representatives:				
Payments to widows and heirs	.....	.....	.....	290,200
Department of Transportation:				
Coast Guard Operating expenses	1999	3,006,200	3,013,506	92,000,000
Department of Housing and Urban Development:				
Community Development Fund	1994	4,168,000	4,825,000	5,057,550
FHA-General and Special Risk Program Account	1995	(4)	152,000	40,000

[1] The Fiscal Year 2001 National Defense Authorization Act (P.L. 106–398) authorizes $75,801,666,000 for military personnel.

[2] Funding for environmental cleanup activities included in this account was previously included as part of regular facility operations and spread throughout many of the Department of Energy programs. The last year of authorization for these programs was 1984. However, in 1989 the cleanup activities were separated from regular facility operations and merged into the non-defense environmental management appropriation account. There has not been a separate authorization for this account.

[3] Funding for each of these projects was authorized as part of Project 01–D–103, Project Engineering and Design. However, the activities to be performed in fiscal year 2001 are construction, not design, necessitating a transfer of the funds to new line-item construction projects.

[4] Such sums.

Transfer of Funds

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following is submitted describing the transfer of funds provided in the accompanying bill.

Account to	Amount	Account from	Amount
District of Columbia Funds Public Education System	$250,000	Federal funds	$250,000

Account to	Amount	Account from	Amount
Department of Veterans Affairs, General Operating Expenses	19,000,000	Department of Veterans Affairs, Medical Care	19,000,000

Language has been included in Department of Defense—Military, which provides for the transfer of $222,000,000 from "Shipbuilding and Conversion, Navy", to certain shipbuilding programs.

Language has been included for Department of Defense—Military, which allows for transfers of funds between "Operation and Maintenance, Navy", and appropriations accounts for Procurement, for activities associated with the repair of the U.S.S. COLE.

RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following table is submitted describing the rescissions recommended in the accompanying bill:

RESCISSIONS RECOMMENDED IN THE BILL

Department or Activity	*Amounts recommended for rescission*
Department of Defense:	
Procurement, Marine Corps 2000/2002	$3,000,000
Overseas Contingency Operations Transfer Fund 2001	81,000,000
Aircraft Procurement, Navy 2001/2003	330,000,000
Procurement, Marine Corps 2001/2003	5,000,000
Aircraft Procurement, Air Force 2001/2003	260,000,000
Other Procurement, Air Force 2001/2003	65,000,000
Procurement, Defense-Wide 2001/2003	85,000,000
Intelligence Community Management Account 2001	5,000,000
Department of Defense, Previous Military Construction Appropriations Acts	70,500,000
District of Columbia funds:	
Governmental Direction and Support	250,000
Public Safety and Justice	131,000
Department of Labor: Employment and Training Administration, Training and Employment Services	359,000,000
Department of Transportation: Grants-in-Aid for Airports (contract authority)	30,000,000
Department of Housing and Urban Development: Public and Indian Housing Certificate Fund	[1] 114,300,000
Federal Emergency Management Agency: Disaster Relief	389,200,000

[1] In addition, the bill rescinds an undesignated amount to be determined on September 30, 2001.

COMPARISON WITH THE BUDGET RESOLUTION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

	Remaining section 302(a) allocation	This bill
Discretionary:		
Budget authority	6,874	6,545
Outlays	3,907	1,340
Mandatory:		
Budget authority	937	937
Outlays	936	936

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

	Millions
Budget Authority	7,482
Outlays:	
2001	2,276
2002	4,229
2003	758
2004	20
2005 and beyond	−83

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the financial assistance to State and local governments is as follows:

	Millions
Budget Authority	54
Fiscal Year 2001 outlays resulting therefrom	100

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states that:

> Each report of a committee on a bill or joint resolution of a public character, shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from Clause 7 of Section 9 of Article I of the Constitution of the United States of America which states:

> No money shall be drawn from the Treasury but in consequence of Appropriations made by law * * *

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

COMPLIANCE WITH CLAUSE 3 OF RULE XIII (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

* * * * * * *

TITLE III—RURAL DEVELOPMENT PROGRAMS

* * * * * * *

RURAL COMMUNITY ADVANCEMENT PROGRAM

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E–H, 381N, and 381O of the Consolidated Farm and Rural Development Act, $762,542,000, to remain available until expended, of which $53,225,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $644,360,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act; and of which $64,957,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: *Provided*, That of the total amount appropriated in this account, $24,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, including grants for drinking and waste disposal systems pursuant to section 306C of such Act, of which $250,000 shall be available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated for rural community programs, $6,000,000 shall be available for a Rural Community Development Initiative: *Provided further*, That such funds shall be used solely to develop the capacity and [ability of] *ability of low income rural communities and* private, nonprofit community-based housing and community development organizations serving low-income rural communities, including Federally Recognized Indian tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: *Provided further*, That such funds shall be made available to qualified private, nonprofit intermediary organizations (including tribal) proposing to carry out a program of financial and technical [assistance to] *assistance and to* other public entities with a record of achievement in providing technical and financial assistance to housing and community development organizations in rural areas: *Provided further*, That such intermediary organizations shall provide matching

funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: *Provided further*, That of the amount appropriated for rural community programs, not to exceed $5,000,000 shall be for hazardous weather early warning systems: *Provided further*, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development; $5,000,000 shall be for rural partnership technical assistance grants; and $2,000,000 shall be for grants to Mississippi Delta Region counties: *Provided further*, That of the amount appropriated for rural utilities programs, not to exceed $20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico borders, including grants pursuant to section 306C of such Act; not to exceed $20,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act, with up to 1 percent available to administer the program and up to 1 percent available to improve interagency coordination; not to exceed $16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed $9,500,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed $42,574,650 shall be available through June 30, 2001, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which $34,704,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which $8,435,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

* * * * * * *

D.C. Code, SECTION 31–1408

Subchapter I—Federal City College

§ 31–1408. Appropriation in lieu of donation of public lands

In lieu of extending to the District of Columbia those provisions of the Act of July 2, 1862 (7 U.S.C. §§ 301 to 305, 307, and 308), relating to donations of public lands or land scrip for the endowment and maintenance of colleges for the benefit of agriculture and the mechanic arts, there is authorized to be appropriated to the District of Columbia the sum of $7,241,706. Amounts appropriated under this section shall be held and considered to have been granted to the District of Columbia subject to those provisions of that Act applicable to the proceeds from the sale of land or land scrip, except that the funds appropriated in this section also may be invested in equity based securities if approved by the Chief financial Officer of the District of Columbia. *In addition, any proceeds and interest accruing thereon, which remain from the sale of the former radio station WDCU in an escrow account of the District of Columbia Financial Management and Assistance Authority for the benefit*

of the University of the District of Columbia, shall be used for the University of the District of Columbia's Endowment Fund. Such proceeds may be invested in equity based securities if approved by the Chief Financial Officer of the District of Columbia.

* * * * * * *

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

* * * * * * *

TITLE III—GENERAL PROVISIONS

* * * * * * *

SEC. 338. The authority to enter into stewardship and end result contracts provided to the Forest Service in accordance with section 347 of title III of section 101(e) of division A of Public Law [105–825] *105–277* is hereby expanded to authorize the Forest Service to enter into an additional 28 contracts subject to the same terms and conditions as provided in that section: *Provided,* That of the additional contracts authorized by this section at least 9 shall be allocated to Region 1 and at least 3 to Region 6.

* * * * * * *

NATIONAL FOREST AND PUBLIC LANDS OF NEVADA ENHANCEMENT ACT OF 1988

* * * * * * *

SEC. 2. OVERTIME PAY FOR CERTAIN FIREFIGHTERS.

(a) * * *

[(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the first applicable pay period beginning on or after the end of the 30-day period beginning on the date of the enactment of this Act, and shall apply only to funds appropriated after the date of the enactment of this Act.]

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

* * * * * * *

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

* * * * * * *

TITLE III—DEPARTMENT OF EDUCATION

* * * * * * *

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act of 1965, $9,532,621,000, of which $2,731,921,000 shall become available on July 1, 2001, and shall remain available through September 30, 2002, and of which $6,758,300,000 shall become available on October 1, 2001 and shall remain available through Sep-

tember 30, 2002, for academic year 2001–2002: *Provided*, That [$7,332,721,000] *$7,237,721,000* shall be available for basic grants under section 1124: *Provided further*, That $225,000,000 of these funds shall be allocated among the States in the same proportion as funds are allocated among the States under section 1122, to carry out section 1116(c): *Provided further*, That 100 percent of these funds shall be allocated by States to local educational agencies for the purposes of carrying out section 1116(c): *Provided further*, That all local educational agencies receiving an allocation under the preceding proviso, and all other local educational agencies that are within a State that receives funds under part A of title I of the Elementary and Secondary Education Act of 1965 (other than a local educational agency within a State receiving a minimum grant under section 1124(d) or 1124A(a)(1)(B) of such Act), shall provide all students enrolled in a school identified under section 1116(c) with the option to transfer to another public school within the local educational agency, including a public charter school, that has not been identified for school improvement under section 1116(c), unless such option to transfer is prohibited by State law, or local law, which includes school board-approved local educational agency policy: *Provided further*, That if the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency lacks the capacity to provide all students with the option to transfer to another public school, and after giving notice to the parents of children affected that it is not possible, consistent with State and local law, to accommodate the transfer request of every student, the local educational agency shall permit as many students as possible (who shall be selected by the local educational agency on an equitable basis) to transfer to a public school that has not been identified for school improvement under section 1116(c): *Provided further*, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 2000, to obtain updated local educational agency level census poverty data from the Bureau of the Census: *Provided further*, That $1,364,000,000 shall be available for concentration grants under section 1124A: *Provided further*, That grant awards under sections 1124 and 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be not less than the greater of 100 percent of the amount each State and local educational agency received under this authority for fiscal year 2000 or the amount such State and local educational agency would receive if $6,883,503,000 for Basic Grants and $1,222,397,000 for Concentration Grants were allocated in accordance with section 1122(c)(3) of title I: *Provided further*, That notwithstanding any other provision of law, grant awards under section 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to those local educational agencies that received a Concentration Grant under the Department of Education Appropriations Act, 2000, but are not eligible to receive such a grant for fiscal year 2001: *Provided further*, That the Secretary shall not take into account the hold harmless provisions in this section in determining State allocations under any other program administered by the Secretary in any fiscal year: *Provided further*, That $8,900,000 shall be available for evaluations under section 1501 and not more than $8,500,000 shall be reserved for section 1308, of which not more

than $3,000,000 shall be reserved for section 1308(d): *Provided further*, That $210,000,000 shall be available under section 1002(g)(2) to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this activity in the statement of the managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: *Provided further*, That in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children served by title I to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement.

* * * * * * *

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 2102 of title II, parts A, B, K, and L and sections 10102 and 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $732,721,000: *Provided*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, $5,000,000 shall be made available for a high school reform program of grants to State educational agencies to improve academic performance and provide technical skills training: *Provided further*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, $5,000,000 shall be made available to carry out part L of title X of the Act: *Provided further*, That of the amount available for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, $5,000,000 shall be available for grants to State and local educational agencies, in collaboration with other agencies and organizations, for school dropout prevention programs designed to address the needs of populations or communities with the highest dropout rates: *Provided further*, That of the amount made available for part A of title X of the Elementary and Secondary Education Act of 1965, as amended, $50,000,000 shall be made available to enable the Secretary of Education to award grants to develop, implement, and strengthen programs to teach American history (not social studies) as a separate subject within school curricula: *Provided further*, That $53,000,000 of the amount available for the national education research institutes shall be allocated notwithstanding section 912(m)(1)(B–F) and subparagraphs (B) and (C) of section 931(c)(2) of Public Law 103–227 and $20,000,000 of that $53,000,000 shall be made available for the Interagency Education Research Initiative: *Provided further*, That of the funds appropriated for part A of title X of the Elementary and Secondary Education Act, as amended, $50,000,000 shall be available to demonstrate effective approaches to comprehensive school reform, to be allocated and expended in accordance with the

instructions relating to this activity in the statement of managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: *Provided further*, That the funds made available for comprehensive school reform shall become available on July 1, 2001, and remain available through September 30, 2002, and in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: *Provided further*, That **[**$139,624,000**]** *$139,853,000* of the funds for section 10101 of the Elementary and Secondary Education Act of 1965 shall be available for the projects and in the amounts specified in the statement of the managers on the conference report accompanying this Act: *Provided further*, That of the funds appropriated under section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $2,000,000 shall be used to conduct a violence prevention demonstration program: *Provided further*, That of the funds available for section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $150,000 shall be awarded to the Center for Educational Technologies to complete production and distribution of an effective CD–ROM product that would complement the "We the People: The Citizen and the Constitution" curriculum: *Provided further*, That, of the funds for title VI of Public Law 103–227 and notwithstanding the provisions of section 601(c)(1)(C) of that Act, $1,200,000 shall be available to the Center for Civic Education to conduct a civic education program with Northern Ireland and the Republic of Ireland and, consistent with the civics and Government activities authorized in section 601(c)(3) of Public Law 103–227, to provide civic education assistance to democracies in developing countries. The term "developing countries" shall have the same meaning as the term "developing country" in the Education for the Deaf Act.

* * * * * * *

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

* * * * * * *

TITLE III

* * * * * * *

ENVIRONMENTAL PROTECTION AGENCY

STATE AND TRIBAL ASSISTANCE GRANTS

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, **[**$3,628,740,000**]** *$3,641,341,386,* to remain available until expended, of which * * * and that the fiscal year 1999 and any subsequent funds may be used for any required

non-federal share of the costs of projects funded by the federal government under section 580 of Public Law 106–53.

* * * * * * *

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

HUMAN SPACE FLIGHT

For necessary expenses, not otherwise provided for, in the conduct and support of human space flight research and development activities, including research, development, operations, and services; maintenance; construction of facilities including repair, rehabilitation, and modification of real and personal property, and acquisition or condemnation or real property, as authorized by law; space flight, spacecraft control and communications activities including operations, production, and services; and purchase, lease, charter, maintenance and operation of mission and administrative aircraft, $5,510,900,000, to remain available until September 30, 2001**[**: *Provided,* That $40,000,000 of the amount provided in this paragraph shall be available to the space shuttle program only for preparations necessary to carry out a life and micro-gravity science mission, to be flown between STS–107 and December 2001**]**.

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each rollcall vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: June 14, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Ms. DeLauro.

Description of motion: To provide $600,000,000 in contingency emergency appropriations to the low-income home energy assistance program, to provide $1.4 billion to the low-income home energy assistance program as an advance appropriation for fiscal year 2002, and to reduce the Federal Emergency Management Agency disaster relief rescission by $300,000,000.

Results: Rejected 29 yeas to 32 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Aderholt	Mr. Bonilla
Mr. Clyburn	Mr. Callahan
Mr. Cramer	Mr. Cunningham
Ms. DeLauro	Mr. Doolittle
Mr. Dicks	Mr. Frelinghuysen
Mr. Edwards	Mr. Goode
Mrs. Emerson	Ms. Granger
Mr. Farr	Mr. Hobson
Mr. Fattah	Mr. Istook
Mr. Hinchey	Mr. Kingston
Mr. Jackson	Mr. Knollenberg
Ms. Kaptur	Mr. Kolbe
Mr. Kennedy	Mr. LaHood
Ms. Kilpatrick	Mr. Latham
Mrs. Lowey	Mr. Lewis
Mrs. Meek	Mr. Miller
Mr. Mollohan	Mr. Nethercutt
Mr. Moran	Mrs. Northup
Mr. Murtha	Mr. Regula
Mr. Obey	Mr. Rogers
Mr. Olver	Mr. Sherwood
Mr. Pastor	Mr. Skeen
Ms. Pelosi	Mr. Sununu
Mr. Price	Mr. Sweeney
Mr. Rothman	Mr. Taylor
Ms. Roybal-Allard	Mr. Tiahrt
Mr. Sabo	Mr. Vitter
Mr. Serrano	Mr. Walsh
Mr. Visclosky	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 2

Date: June 13, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Mr. Visclosky.

Description of motion: To authorize the Secretary of the Army to make direct loans and loan guarantees, not exceeding $40,000,000 in aggregate, for improvements at existing non-federal hydropower facilities, to provide $85,000,000 for repairs and improvements to federal hydropower facilities, and to designate these amounts as contingent emergency appropriations.

Results: Rejected 24 yeas to 31 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Cramer	Mr. Aderholt
Ms. DeLauro	Mr. Callahan
Mr. Dicks	Mr. Cunningham
Mr. Edwards	Mr. Doolittle
Mr. Farr	Mrs. Emerson
Mr. Fattah	Mr. Frelinghuysen
Mr. Hinchey	Mr. Hobson
Mr. Hoyer	Mr. Istook
Mr. Jackson	Mr. Kingston
Ms. Kaptur	Mr. Knollenberg
Mr. Kennedy	Mr. Kolbe
Ms. Kilpatrick	Mr. LaHood
Mrs. Lowey	Mr. Latham
Mrs. Meek	Mr. Lewis
Mr. Nethercutt	Mr. Miller
Mr. Obey	Mr. Mollohan
Mr. Olver	Mr. Murtha
Ms. Pelosi	Mrs. Northup
Mr. Price	Mr. Regula
Mr. Rothman	Mr. Rogers
Ms. Roybal-Allard	Mr. Sherwood
Mr. Sabo	Mr. Skeen
Mr. Serrano	Mr. Sununu
Mr. Visclosky	Mr. Sweeney
	Mr. Taylor
	Mr. Tiahrt
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 3

Date: June 14, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Mr. Farr.

Description of motion: To authorize the Secretary of Energy to make direct loans and loan guarantees, not exceeding $350,000,000 in aggregate, for improvements to existing non-federal electric power transmission systems, and to designate this amount as a contingent emergency appropriation.

Results: Rejected 24 yeas to 35 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Clyburn	Mr. Aderholt
Ms. DeLauro	Mr. Callahan
Mr. Dicks	Mr. DeLay
Mr. Edwards	Mr. Doolittle
Mr. Farr	Mrs. Emerson
Mr. Fattah	Mr. Frelinghuysen
Mr. Hinchey	Mr. Goode
Mr. Hoyer	Ms. Granger
Mr. Jackson	Mr. Hobson
Ms. Kaptur	Mr. Istook
Mr. Kennedy	Mr. Kingston
Ms. Kilpatrick	Mr. Knollenberg
Mrs. Lowey	Mr. Kolbe
Mrs. Meek	Mr. LaHood
Mr. Moran	Mr. Latham
Mr. Obey	Mr. Lewis
Mr. Olver	Mr. Miller
Mr. Pastor	Mr. Mollohan
Ms. Pelosi	Mr. Nethercutt
Mr. Price	Mrs. Northup
Mr. Rothman	Mr. Peterson
Ms. Roybal-Allard	Mr. Regula
Mr. Serrano	Mr. Rogers
Mr. Visclosky	Mr. Sherwood
	Mr. Skeen
	Mr. Sununu
	Mr. Sweeney
	Mr. Taylor
	Mr. Tiahrt
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 4

Date: June 14, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Mrs. Lowey.

Description of motion: to provide $100,000,000 to the Agency for International Development, Child Survival and Disease Programs Fund, to provide $50,000,000 to Development Assistance, to provide $100,000,000 to a global trust fund to fight HIV/AIDS, malaria, and tuberculosis, and to designate these amounts as contingent emergency appropriations.

Results: Rejected 25 yeas to 30 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Ms. DeLauro	Mr. Cunningham
Mr. Dicks	Mr. Doolittle
Mr. Edwards	Mrs. Emerson
Mr. Farr	Mr. Frelinghuysen
Mr. Fattah	Mr. Goode
Mr. Hinchey	Ms. Granger
Ms. Kaptur	Mr. Hobson
Mr. Kennedy	Mr. Istook
Ms. Kilpatrick	Mr. Kingston
Mrs. Lowey	Mr. Knollenberg
Mrs. Meek	Mr. Kolbe
Mr. Mollohan	Mr. LaHood
Mr. Murtha	Mr. Latham
Mr. Obey	Mr. Lewis
Mr. Olver	Mr. Miller
Mr. Pastor	Mr. Nethercutt
Ms. Pelosi	Mr. Peterson
Mr. Price	Mr. Regula
Mr. Rothman	Mr. Rogers
Ms. Roybal-Allard	Mr. Sherwood
Mr. Sabo	Mr. Skeen
Mr. Serrano	Mr. Sununu
Mr. Visclosky	Mr. Sweeney
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 5

Date: June 14, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Ms. Kaptur.

Description of motion: To provide an additional $35,000,000 for Animal and Plant Health Inspection Service, Salaries and expenses.

Results: Rejected 27 yeas to 35 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Ms. DeLauro	Mr. Callahan
Mr. Dicks	Mr. Cunningham
Mr. Edwards	Mr. DeLay
Mr. Farr	Mr. Doolittle
Mr. Fattah	Mrs. Emerson
Mr. Frelinghuysen	Mr. Goode
Mr. Hinchey	Ms. Granger
Mr. Hoyer	Mr. Hobson
Mr. Jackson	Mr. Istook
Ms. Kaptur	Mr. Kingston
Mr. Kennedy	Mr. Knollenberg
Ms. Kilpatrick	Mr. Kolbe
Mrs. Lowey	Mr. LaHood
Mrs. Meek	Mr. Latham
Mr. Mollohan	Mr. Lewis
Mr. Obey	Mr. Miller
Mr. Olver	Mr. Murtha
Mr. Pastor	Mr. Nethercutt
Ms. Pelosi	Mr. Peterson
Mr. Price	Mr. Regula
Mr. Rothman	Mr. Rogers
Ms. Roybal-Allard	Mr. Sherwood
Mr. Sabo	Mr. Skeen
Mr. Serrano	Mr. Sununu
Mr. Visclosky	Mr. Sweeney
	Mr. Taylor
	Mr. Tiahrt
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 6

Date: June 14, 2001.

Measure: Supplemental Appropriations Bill, FY 2001.

Motion by: Ms. Pelosi.

Description of motion: To require the Federal Energy Regulatory Commission to impose "cost-of-service" limits on the price of wholesale electricity sold in the Western region for the next two years.

Results: Rejected 27 yeas to 34 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Ms. DeLauro	Mr. Callahan
Mr. Dicks	Mr. Cunningham
Mr. Farr	Mr. DeLay
Mr. Fattah	Mr. Doolittle
Mr. Hinchey	Mr. Edwards
Mr. Hoyer	Mrs. Emerson
Mr. Jackson	Mr. Frelinghuysen
Ms. Kaptur	Mr. Goode
Mr. Kennedy	Ms. Granger
Ms. Kilpatrick	Mr. Hobson
Mrs. Lowey	Mr. Istook
Mrs. Meek	Mr. Kingston
Mr. Mollohan	Mr. Knollengberg
Mr. Moran	Mr. Kolbe
Mr. Murtha	Mr. LaHood
Mr. Obey	Mr. Latham
Mr. Olver	Mr. Lewis
Mr. Pastor	Mr. Miller
Ms. Pelosi	Mr. Nethercutt
Mr. Price	Mr. Peterson
Mr. Rothman	Mr. Regula
Ms. Roybal-Allard	Mr. Sherwood
Mr. Sabo	Mr. Skeen
Mr. Serrano	Mr. Sununu
Mr. Visclosky	Mr. Sweeney
	Mr. Tiahrt
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
TITLE I - NATIONAL SECURITY MATTERS			
CHAPTER 1			
DEPARTMENT OF DEFENSE - MILITARY			
Military Personnel			
Military Personnel, Army	164,000	164,000	.....
Military Personnel, Navy	84,000	84,000	.....
Military Personnel, Marine Corps	69,000	69,000	.....
Military Personnel, Air Force	126,000	119,500	-6,500
Reserve Personnel, Army	52,000	52,000	.....
Reserve Personnel, Air Force	2,000	8,500	+6,500
National Guard Personnel, Army	6,000	6,000	.....
National Guard Personnel, Air Force	12,000	12,000	.....
Total, Military Personnel	515,000	515,000	.....
Operation and Maintenance			
Operation and Maintenance, Army	655,800	659,600	+3,800
Operation and Maintenance, Navy	953,400	948,100	-5,300
Operation and Maintenance, Marine Corps	54,400	54,400	.....
Operation and Maintenance, Air Force	853,200	840,000	-13,200
Operation and Maintenance, Defense-Wide	93,800	123,100	+29,300
Operation and Maintenance, Army Reserve	20,500	20,500	.....
Operation and Maintenance, Navy Reserve	12,500	12,500	.....
Operation and Maintenance, Marine Corps Reserve	1,900	1,900	.....
Operation and Maintenance, Air Force Reserve	34,000	34,000	.....
Operation and Maintenance, Army National Guard	42,900	38,900	-4,000
Operation and Maintenance, Air National Guard	119,300	119,300	.....
Total, Operation and maintenance	2,841,700	2,852,300	+10,600
Procurement			
Other Procurement, Army	3,000	3,000	.....
Shipbuilding and Conversion, Navy:			
SCN, 1995/2001:			
Carrier Replacement Program	84,000	84,000	.....
DDG-51 Destroyer Program	.....	300	+300
SCN, 1996/2001:			
DDG-51 Destroyer Program	41,000	14,600	-26,400
LPD-17 Amphibious Transport Dock Ship Program	65,000	65,000	.....
SCN, 1997/2001:			
DDG-51 Destroyer Program	.....	12,600	+12,600
SCN, 1998/2001:			
NSSN Program	32,000	32,000	.....
DDG-51 Destroyer Program	.....	13,500	+13,500
Subtotal, SCN	222,000	222,000	.....
Aircraft Procurement, Air Force	84,000	84,000	.....
Missile Procurement, Air Force	.....	15,500	+15,500
Procurement of Ammunition, Air Force	73,000	73,000	.....
Other Procurement, Air Force	162,900	85,400	-77,500
Procurement, Defense-Wide	5,800	5,800	.....
Total, Procurement	550,700	488,700	-62,000
Research, Development, Test and Evaluation			
Research, Development, Test and Evaluation, Army	.....	5,000	+5,000
Research, Development, Test and Evaluation, Navy	108,000	151,000	+43,000
Research, Development, Test and Evaluation, Air Force	247,500	275,500	+28,000
Research, Development, Test and Evaluation, Defense-Wide	85,000	94,100	+9,100
Total, RDT&E	440,500	525,600	+85,100

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
Revolving and Management Funds			
Defense Working Capital Funds	178,400	178,400	.....
Other Department of Defense Programs			
Defense Heath Program:			
Operation and maintenance	1,453,400	1,453,400	.....
Military treatment facility optimization	.....	200,000	+200,000
Drug Interdiction and Counter-Drug Activities, Defense	.....	1,900	+1,900
Total, Other DoD Programs	1,453,400	1,655,300	+201,900
General Provisions			
O&M, Navy: U.S.S. Cole repair	44,000	.....	-44,000
Emergency appropriations	.....	44,000	+44,000
Aircraft Procurement, Navy (P.L. 106-259) (rescission)	-235,000	.....	+235,000
Aircraft Procurement, Air Force (P.L. 106-259) (rescission)	-270,000	.....	+270,000
Overseas Contingency Operations Transfer Fund (P.L. 106-259) (rescission)	-61,000	.....	+61,000
Rescissions	.....	-834,000	-834,000
Natural disasters (emergency)	.....	39,900	+39,900
Total, chapter 1 (net)	5,457,700	5,465,200	+7,500
Appropriations	(6,023,700)	(6,215,300)	(+191,600)
Rescissions	(-566,000)	(-834,000)	(-268,000)
Emergency appropriations	.....	(83,900)	(+83,900)
CHAPTER 2			
DEPARTMENT OF ENERGY			
National Nuclear Security Administration			
Weapons Activities	140,000	140,000	.....
Other Defense Related Activities			
Defense Environmental Restoration and Waste Management	100,000	100,000	.....
Defense Facilities Closure Projects	21,000	21,000	.....
Defense Environmental Management Privatization	29,600	27,472	-2,128
Total, chapter 2	290,600	288,472	-2,128
CHAPTER 3			
MILITARY CONSTRUCTION			
Military construction, Army	.....	67,400	+67,400
Military construction, Navy	.....	10,500	+10,500
Military construction, Air Force	18,000	8,000	-10,000
Family Housing, Army	27,200	29,480	+2,280
Family Housing, Navy and Marine Corps	20,300	20,300	.....
Family Housing, Air Force	18,000	18,000	.....
Base realignment and closure account, part IV	9,000	9,000	.....
General Provisions			
Rescissions	.....	-70,500	-70,500
Total, chapter 3 (net)	92,500	92,180	-320
Appropriations	(92,500)	(162,680)	(+70,180)
Rescissions	.....	(-70,500)	(-70,500)
Total, title I, National Security Matters (net)	5,840,800	5,845,852	+5,052

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
TITLE II - OTHER SUPPLEMENTAL APPROPRIATIONS			
CHAPTER 1			
DEPARTMENT OF AGRICULTURE			
Animal and Plant Health Inspection Service			
Salaries and expenses	35,000	.....	-35,000
General Provisions			
Klamath Basin	20,000	.....	-20,000
Total, chapter 1	55,000	.....	-55,000
CHAPTER 2			
DISTRICT OF COLUMBIA FUNDS			
General Fund			
Governmental direction and support (including rescission)	(5,150)	(5,150)	.....
Economic development and regulation	(1,625)	(1,625)	.....
Public safety and justice (including rescission)	(8,770)	(8,770)	.....
Public education system	(1,000)	(1,750)	(+750)
(By transfer)	(250)	(250)	.....
Human support services	(28,000)	(28,000)	.....
Public works	(131)	(131)	.....
Workforce investments	(40,500)	(40,500)	.....
Wilson Building	(7,100)	(7,100)	.....
Total, general fund (including transfer)	(92,526)	(93,276)	(+750)
Enterprise and Other Funds			
Water and Sewer Authority and the Washington Aqueduct	(2,151)	(2,151)	.....
Total, chapter 2 (including transfer)	(94,677)	(95,427)	(+750)
CHAPTER 3			
DEPARTMENT OF DEFENSE - CIVIL			
Department of the Army			
Corps of Engineers - Civil			
Flood Control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee (emergency)	.....	18,000	+18,000
Operation and Maintenance, General (emergency)	.....	115,500	+115,500
Flood Control and Coastal Emergencies	50,000	.....	-50,000
Emergency appropriations	.....	50,000	+50,000
DEPARTMENT OF ENERGY			
Energy Programs			
Non-Defense Environmental Management	11,400	11,950	+550
Uranium Facilities Maintenance and Remediation	18,000	18,000	.....
Power Marketing Administrations			
Construction, Rehabilitation, Operation & Maintenance, Western Area Power Administation	.....	1,578	+1,578
Total, chapter 3	79,400	215,028	+135,628
Appropriations	(79,400)	(31,528)	(-47,872)
Emergency appropriations	.....	(183,500)	(+183,500)
CHAPTER 3A			
INTERNATIONAL ASSISTANCE PROGRAMS			
International Security Assistance			
Economic Support Fund (rescission)	-20,000	.....	+20,000

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
CHAPTER 4			
DEPARTMENT OF THE INTERIOR			
Bureau of Indian Affairs			
Operation of Indian Programs	50,000	.....	-50,000
Emergency appropriations	.....	50,000	+50,000
United States Fish and Wildlife Service			
Construction (emergency)	.....	17,700	+17,700
National Park Service			
United States Park Police	.....	1,700	+1,700
RELATED AGENCY			
DEPARTMENT OF AGRICULTURE			
Forest Service			
State and Private Forestry (emergency)	.....	22,000	+22,000
National Forest System (emergency)	.....	12,000	+12,000
Wildland Fire Management (emergency)	.....	100,000	+100,000
Capital Improvement and Maintenance (emergency)	.....	4,000	+4,000
Total, chapter 4	50,000	207,400	+157,400
Appropriations	(50,000)	(1,700)	(-48,300)
Emergency appropriations	.....	(205,700)	(+205,700)
CHAPTER 5			
DEPARTMENT OF LABOR			
Employment and Training Administration			
Training and employment services, FY02 (rescission)	.....	-359,000	-359,000
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Administration for Children and Families			
Low Income Home Energy Assistance Program	150,000	300,000	+150,000
DEPARTMENT OF EDUCATION			
Education for the disadvantaged	.....	161,000	+161,000
Total, chapter 5 (net)	150,000	102,000	-48,000
Appropriations	(150,000)	(461,000)	(+311,000)
Rescission, FY02	.....	(-359,000)	(-359,000)
CHAPTER 6			
LEGISLATIVE BRANCH			
Congressional Operations			
House of Representatives			
Payments to Widows and Heirs of Deceased Members of Congress			
Gratuities, deceased Members (Sisisky, Moakley)	.....	290	+290
Salaries and Expenses			
Members' Representational Allowances, Standing Committees, Special and Select, Committee on Appropriations, Allowances and Expenses	47,214	44,214	-3,000
Salaries, Officers and Employees	14,448	17,448	+3,000
Total	61,662	61,662	.....
Office of Compliance			
Salaries and expenses	35	35	.....

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
Government Printing Office			
Congressional Printing and Binding	9,900	11,900	+2,000
Government Printing Office Revolving Fund	6,000	6,000	.....
Library of Congress			
Salaries and expenses	.....	600	+600
General Accounting Office			
Salaries and expenses	2,600	.....	-2,600
Total, chapter 6	80,197	80,487	+290
CHAPTER 7			
DEPARTMENT OF TRANSPORTATION			
Federal Aviation Administration			
Grants-in-aid for airports (Airway and Airport Trust Fund) (rescission of contract authorization)	.....	-30,000	-30,000
Coast Guard			
Operating Expenses	92,000	92,000	.....
Total, chapter 7 (net)	92,000	62,000	-30,000
CHAPTER 8			
DEPARTMENT OF THE TREASURY			
Departmental Offices			
Salaries and Expenses (Winter Olympics security)	60,601	.....	-60,601
Tax Rebate Implementation	115,776	.....	-115,776
Financial Management Service			
Salaries and expenses	.....	49,576	+49,576
Internal Revenue Service			
Processing, assistance, and management	.....	66,200	+66,200
Total, chapter 8	176,377	115,776	-60,601
CHAPTER 9			
DEPARTMENT OF VETERANS AFFAIRS			
Veterans Benefits Administration			
Compensation and Pensions	589,413	589,413	.....
Readjustment Benefits	347,000	347,000	.....
Departmental Administration			
General Operating Expenses (transfer from Medical Care)	(19,000)	(19,000)	.....
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Public and Indian Housing			
Housing certificate fund (rescission)	.....	-114,300	-114,300
Housing Programs			
Manufactured housing fees trust fund	.....	6,100	+6,100
Fees collected	.....	-6,100	-6,100
Federal Housing Administration			
FHA--General and Special Risk Program Account	40,000	40,000	.....
DEPARTMENT OF DEFENSE - CIVIL			
Cemeterial Expenses, Army			
Salaries and expenses	.....	243	+243

COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY REQUEST AND AMOUNTS RECOMMENDED IN THE BILL
(Amounts in thousands)

	Budget request	Recommend in the bill	Bill compared with request
Federal Emergency Management Agency			
Disaster relief (rescission of emergency appropriations)	.....	-389,200	-389,200
Total, chapter 9 (net)	976,413	473,156	-503,257
Appropriations	(976,413)	(976,656)	(+243)
Rescissions	.....	(-503,500)	(-383,540)
Rescission of emergency appropriations	.....	(-389,200)	(-389,200)
Total, title II, Other Supplementals (net)	1,639,387	1,255,847	-383,540
Grand total (net)	7,480,187	7,101,699	-378,488
Appropriations	(8,066,187)	(8,425,599)	(+359,412)
Rescissions	(-586,000)	(-1,048,800)	(-462,800)
Rescission of emergency appropriations	.....	(-389,200)	(-389,200)
Rescission, FY02	.....	(-359,000)	(-359,000)
Emergency appropriations	.....	(473,100)	(+473,100)
(By transfer)	(19,000)	(19,000)	.....

DISSENTING VIEWS OF HON. DAVID OBEY

The problems facing Americans today are in some respects quite different from those the country faced last fall when Appropriations were enacted for the current fiscal year. With gasoline prices up as much as 50 cents a gallon, a two car family can expect to pay about $600 dollars a year more to the oil companies and they will be paying a similar increase in heating and electrical costs. This is about a thousand or so dollars per household that won't be available for replacing the family car, buying new clothes or saving for college education. As a result many businesses are suffering and the whole economy has gotten softer.

While higher energy prices have affected households in every part of the United States, the impact on the West Coast has been much more severe. Many Americans in other parts of the United States are still not aware of how serious the situation is in the West and how much it may impact the overall national economy. Because more than one in eight Americans live in the three West Coast states and because so much of our export oriented and high tech industries are concentrated in those states, serious economic disruptions on the coast are certain to have a big impact on the economies of virtually all of the 47 other states.

Ironically, this supplemental is before the Congress largely because of energy problems. When fuel prices rise, the cost of flying planes, fueling ships and driving tanks also goes up and the military needs more money. This bill at least partially addresses those costs. (Many who follow the defense budget in detail, however, believe that the armed services may still have to scale back training, maintenance and other activities in the final months of the fiscal year because of our failure to fully offset these higher fuel costs.)

But the major failing of this Supplemental is that it does not address the energy crisis with respect to any other segment of the society or the American economy. It does not take a number of simple and straightforward steps that could be critical in boosting the near term availability of electrical power, protecting consumers from the extreme price gouging occurring in some segments of the industry and insulating the American economy from further damage from rising energy prices. Finally, it does far less than is necessary to protect low income and elderly households from the devastating impact that high-energy prices have on their ability to afford food, medicine and other necessities.

THE ENERGY PROBLEM

Fluctuations in the cost of energy have played a major role in the performance of the American economy since the early 1970s. Rising fuel prices have contributed to at least three recessions over the last three decades and falling fuel prices have caused dislocations

and bankruptcies in our own energy producing states and wreaked serious havoc with the entire international financial system.

The current situation differs from those of the past in that it is caused not only by an imbalance between the demand and supply of fossil fuels but also by serious emerging structural problems in the industries that generate and transmit electricity. While California and the West Coast provide the most obvious examples of these problems they are not strictly West Coast problems.

The deregulation and restructuring of the electrical utility industry that began more than a decade ago has left investors with considerable uncertainty as to how far deregulation will eventually go and how competitive the market for electricity will be. As a result there has been little growth in capacity for either generating or transmitting electrical power even though the economy has grown at a remarkable pace for most of that same period. As demand for electricity began to approach the capacity to generate it some producers came to realize that by withholding output they could force significantly higher prices in the newly deregulated environment. As a result, consumers are faced with a market that is neither competitive nor regulated.

There are three fundamental reasons that this problem is more severe in California and on the West Coast. First, California's attempt at deregulation was particularly inept. Wholesale prices were unleashed while retail prices remained regulated. That worked only as long as the price of the oil and natural gas used for generating electricity continued to fall. Once oil and gas prices began to rise, retail suppliers were caught in an untenable squeeze and consumers were given no incentive to conserve.

Second, the national power grid has never had significant capacity to transmit electricity from east of the Rockies to California and the West Coast. As a result, there is much less competition in the wholesale electricity market in the West than in other parts of the country.

Third, the West has relied more heavily on hydroelectric power than most other parts of the country. Hydroelectric power is dependent on rainfall and the Pacific Northwest where most of the dams are located has been suffering from a severe drought.

The combination of these factors has produced not only dramatic increases in the price of electricity but also in blackouts that jeopardize production and profitability in a wide array of industries. Producers are typically charging between 10 and 30 times the historical rate for electricity and in some instances they have been able to charge as much as 129 times the historical rate. Typical homeowners in many parts of the state have seen their monthly electricity bills go from $100 to more than $800. In some communities more than half of all small businesses are either in bankruptcy or in the process of applying for bankruptcy protection. A significant number of larger employers have actually shut down operations. In total, electricity costs in California have gone from $7 billion a year to around $70 billion. Even in a state with a trillion dollar a year economy, that is a huge diversion of GDP from other sectors of the economy to the utility companies.

That means that states like Wisconsin that produce capital goods have seen their California markets evaporate and now have sur-

plus inventories. States like Michigan, Ohio and Missouri are seeing layoffs in the automobile industry. Sales are off in the publishing, recording and household products industries largely because of the bite the electricity market in California is taking out of that state's ability to grow and consume products from other parts of the United States.

WHAT CAN BE DONE?

The United States faces both short-term and long-term problems with respect to energy. Under existing technologies our growing economy requires more and more energy, makes us more and more dependent on oil from the Persian Gulf, and therefore inevitably more vulnerable to political disruptions in that part of the world. At the same time it increases air and water pollution and jeopardizes the global climate. Finding ways to reduce our consumption of energy will help control prices, improve the quality of our air and water and reduce the vulnerability of our economy to events in Southwest Asia. Finding alternative forms of energy will also help achieve all three of those objectives. Those activities require the kind of long term and high-risk investments that the private sector is not likely to undertake and they should be funded in our regular appropriation bills as the high priority investments that any sensible assessment of our economic and security needs indicate they deserve.

But the electricity crisis could do serious damage to our current prosperity if we do not take action now for short-term remedies. The Democratic members of the Appropriations Committee put forward a series of such initiatives when the Committee met to consider this Supplemental on June 14th. Action on this legislation had been delayed for months based on the President's decision not to send forward a budget request until the Congress had completed action on the tax bill. As a result remedies to the energy crisis that could be underway are only now being considered. Unfortunately, even when the Supplemental budget request finally did reach the Committee, Republican Congressional leaders maintained rigid discipline in dissuading committee members of their party from supporting these proposals. As a result none were adopted. That is deeply disturbing since this Supplemental is the single best and—perhaps only—legislative vehicle that can put resources to use this summer in mitigating the crisis.

There were four separate amendments presented to the committee, each dealing with a separate portion of the energy crisis.

- Temporary cost-of-service price limits in Western states (Roll Call #6);
- $350 million for national electric power grid improvement loans (Roll Call #3);
- $125 million for national hydroelectric power improvement loans (Roll Call #2); and
- $600 million in fiscal year 2001 and $1.4 billion in fiscal year 2002 for increased emergency funding for the Low-Income Home Energy Assistance Program (LIHEAP) (Roll Call #1).

Temporary Cost-of-Service Price Limits (Roll Call #6)

It is essential to address the price-limit issue on this emergency supplemental appropriations funding bill. No one disagrees that the current wholesale energy market in the West is dysfunctional. Wholesale spot-market electricity rates that used to be around $30 per megawatt hour in the past have ranged between $200 and $300 a megawatt hour this spring, with typical peaks as high as $1,000 per megawatt hour.

Federal Energy Regulation Commission (FERC) orders issued to date this year put in place market-based limits and close loopholes which previously allowed energy generators to avoid FERC regulation, for example by shipping power out-of-state and then re-importing it during emergencies at unreasonable prices. FERC orders to date, however, do not prohibit all energy providers from overcharging since FERC still uses market-based instead of cost-of-service based rates. Recent FERC orders to date do not effectively rectiviy overcharges that have occurred since June 2000, nor compel refunds in cases where prices have not been fair and reasonable.

During this past year, while ordinary citizens and small businesses were suffering, a few energy generators and energy marketers made record high profits on the backs of the Western states. On June 5, Duke Energy confirmed that it sold electricity in California for as much as $3,880 a megawatt hour (129 times the historical rate)—double the rate that Governor Grey Davis cited as an "obscene" example of price gouging.

In May, 41 Member of Congress introduced H.R. 1468, the Energy Price and Economic Stability Act of 2001. The bill has two main features: (1) It sets a temporary limit for wholesale energy prices in the Western United States at a cost-of-service (rather than a market based) rate, to include a reasonable risk premium or a return on invested capital; and (2) it allows States which are charged unjust and unreasonable electricity rates since June 1, 2000 to obtain refunds, if they are successful in bringing action in U.S. district court. The bill's provisions expire in March, 2003. The price limits in this amendment are essential to stabilizing the power market in Western states until sufficient supply can be brought on-line to allow competitive market forces to ensure fair and reasonable prices.

H.R. 1468 is a very reasonable, moderate, flexible, and temporary response to the severe energy crisis in the Western states. The amendment proposed by Democrats an amendment to this supplemental appropriations bill would simple enact H.R. 1468 as part of the larger bill, to provide immediate temporary relief to millions of American citizens in a number of Western states. A senior Republican leader said when the amendment was offered that "California made its bed, and now California should sleep in it". The Majority voted along party lines to reject it (Roll Call #6).

Electric Power Grid Improvement Loans (Roll Call #3).

Electricity competition has led to significant changes in the operation of the bulk power grid (the powers plants and high-voltage transmissions facilities that make up the wholesale power market). More and more electricity is being shipped longer distances over a

transmission system that was originally designed only to provide limited power and reserve-sharing among neighboring utilities.

Competition in electricity has already dramatically increased the movement of power within and between regions of the country. Over the next ten years, the Department of Energy predicts that demand for electric power will increase by 25 percent, and more than 200,000 megawatts of new capacity will be required. However, under current plans electric transmission capacity will not be nearly enough to keep pace. This shortage could lead to serious transmission congestion and electric reliability problems. Regional shortages of generating capacity and the increasing stress placed on the existing transmission system are combining today to reduce the overall reliability of electric supply in the country and are reducing the quality of power delivered to end-users.

The best example of how this has developed into an emergency situation is Path 15 in California, which consists of two 84-mile 500 kilovolt transmission lines between the northern and southern parts of the state. There is consensus that Path 15 is a major bottleneck which contributes to blackouts in the state. Between April, 1998 and January, 2001 there were 226 incidents where the flow on Path 15 exceeded the south-to-north stability limits. As a result, electricity was diverted to other transmission lines and routed through Nevada and Oregon. The California Independent System operator concluded that for the period between September 1999 and December 2000 congestion on Path 15 cost consumers $222 million.

California utilities would like to add a third transmission line along the existing path at an approximate cost of $250 million to increase transfer capability by approximately 1,500 megawatts. The Secretary of Energy recently testified before the Committee that constructing the third Path 15 line would increase transmission system reliability, reduce the likelihood of blackouts, and lead to greater competition and lower prices. Unfortunately, due to the recent energy crisis, California utilities that are in very poor financial condition have no means to undertake such a project at this time.

The Secretary of Energy also recently testified that the electric price spikes in the Midwest in the summer of 1998 were caused in part by transmission constraints limiting the ability of the region to import electricity from other regions of the country with available electric power. During the summer of 2000, cool weather in the Midwest and hot temperatures in the deep South created a heavy north-to-south flow of lower-cost, efficient Midwestern electricity to serve air conditioning loads. However, because the transmission system was unable to accommodate the heavy loads, the South had to turn on inefficient, older generation units. The Secretary also testified that transmission constraints have been a persistent cause of price spikes in New York in recent years.

The obsolescence of the nation's electric power transmission grid has become an emergency that requires immediate attention. The problem is not one limited to just California, or even the Western states: it is clearly a national problem that potentially affects all citizens. To address it does not mean that there has to be a Federal ownership or operational role in local or regional power trans-

mission. A loan program can provide the up-front cash to accelerate projects around the country that will quickly lead to improved, lower-cost, and more efficient power transmission. As upgraded or new power lines or systems are used, the recipients of loans can reimburse the government over time in a manner that minimizes burden on local communities yet fully recoups the cost of the government's loan which in the long term would be zero.

The Democrats proposed an amendment to this bill to allow the Secretary of Energy to provide $350 million in loans to states, companies, and other outdated equipment would improve system reliability by reducing the number of generators going out of service and improve generator efficiency.

In the Pacific Northwest, up to 70 percent of electricity is generated from hydropower. A continued lack of funding has reduced the Corps' ability to sustain the reliability of its hydropower production at its facilities in the Pacific Northwest which are essential for providing power in the Western states. Facilities in Oregon, Washington, and Idaho have a backlog of repair items affecting not only the power plant facilities, but also associated dam and reservoir maintenance to assure continued safety and environmental protection including fish habitat. The Army Corps of Engineers needs $45 million to repair earthquake damage to hydropower facilities and to correct major environmental deficiencies in the Pacific Northwest in the states of Washington and Oregon. Performance of this maintenance would also increase power generation reliability through use of modern technology.

The Democrats proposed an amendment for $125,000,000 as follows: up to $40 million for loans to operators of non-federal dams for energy efficiency improvements, $45 million for repairs and improvements to dams in the Pacific Northwest, and $40 million for repairs and upgrades to dams operated by the Army Corps of Engineers or the Bureau of Reclamation within the Department of the Interior. None of these funds could be used in a manner which increases environmental damage above current levels.

The Majority voted along party lines to reject it (Roll Call #2).

Low-Income Home Energy Assistance (Roll Call #1)

Whether it is families in the Northeast that heat their homes with fuel oil, families that use natural gas in the Midwest, or families using electricity in California and the West, nearly every family in America has experienced the shock of receiving a heating or cooling bill double or triple the amount they paid the year before. For example, residential heating oil prices were 48 percent higher in November 2000 than in November 1999, and residential natural gas prices in the fourth quarter of 2000 were 44 percent above the previous year.

These extraordinary energy price hikes have hurt our senior citizens and low-income families the most. They already struggle to heat and cool their organizations for improvements to existing electric power transmission systems. The Majority voted along party lines to reject it.

Hydroelectric Power Improvements (Roll Call #2)

Hydropower is a low-cost renewable resource producing no airborne emissions that contribute to acid rain or the greenhouse effect. Hydropower is the nation's leading renewable energy source, accounting for 81 percent of the nation's total renewable energy generation, and is considered to be the least environmentally damaging major source of power. The United States is one of the largest producers of hydropower in the world, second only to Canada. Hydropower ranges between 10 to 12 percent of U.S. electrical generation. Without hydropower, the United States would have to burn an additional 126 million tons of coal, 25 million barrels of oil, and 452 billion cubic feet of natural gas annually. Simply increasing the efficiency of the nation's existing hydroelectric equipment by one percent would result in an increase in annual power generation of about 3.3 billion kilowatt hours. A 1998 Department of Energy report suggests that our nation has the ability to generate up to 4,316 megawatts of additional electric power by upgrading equipment at hydroelectric facilities now operating.

There are non-Federal dams in all 50 States at 2,162 sites. Some non-federal owners of hydroelectric dams continue to operate turbines that were installed more than a century ago.

The Army Corps of Engineers has 75 hydropower facilities throughout the country that account for about 24 percent of the hydroelectric power capacity and about 3 percent of electric power in the nation, making the Army Corps the 4th largest utility in the nation. The backlog of maintenance for these facilities is $400 million.

At a recent hearing conducted by the Subcommittee on Energy and Water, the Chief of the Army Corps of Engineers testified that many of the Corps' 75 hydroelectric dam power plants have generating equipment that is 30 to 40 years old which is in need of upgrade or replacement. The Chief further testified that the Corps had $23.7 million of hydropower critical maintenance backlogs that threaten efficient power generation of dams in Arkansas, Georgia, Idaho, Missouri, Montana, North Dakota, Nebraska, Oklahoma, South Dakota, Texas, and Virginia. Repair and replacement of homes, put food on the table, buy medicines, and meet other basic necessities. Recent estimates show that this fiscal year low-income families will pay, on average, about $1,530 for annual residential energy costs or about 20 percent of their annual income—a burden four times higher than the average 5 percent of annual income paid by other families. Extraordinary energy bills are taking their toll on these vulnerable families and senior citizens.

For years, the Low-Income Home Energy Assistance Program (LIHEAP) has been one of the few critical lifelines for our most vulnerable seniors and families to deal with energy costs. But with record high energy prices, it is more important now than ever. Nearly 80 percent of LIHEAP recipients have incomes at or below the federal poverty level ($17,650) and about a third of LIHEAP households include at least one elderly person in the household. Another 29 percent of LIHEAP families have a child age 5 years or under, and 30 percent of LIHEAP households have at least 1 person who is unable to work due to disability.

Unfortunately, in recent years, we have seen the regular LIHEAP appropriation drop from a high of $2.1 billion in 1986 to $1.4 billion today, The number of households that receive assistance under LIHEAP has declined from 7.1 million when the program first began—serving 36 percent of the total eligible population—to only 5 million today—serving only 17 percent of the eligible population at a time of the highest energy prices in recent years. Community action agencies throughout the nation that administer LIHEAP report having to turn away hundreds of eligible clients because of lack of resources. In all, 20 states including Wisconsin, Alabama, California, Georgia, Kentucky, Illinois, Iowa, Kansas, Massachusetts, Minnesota, New Mexico, New York and Rhode Island have exhausted or nearly exhausted their LIHEAP funding. And, those who are fortunate enough to get LIHEAP assistance receive only enough to pay about one quarter of their total residential energy bill.

The $150 million requested by the President and the $300 million included in this bill by the majority are grossly inadequate to respond to this detrimental decline in LIHEAP funding. If LIHEAP served the same proportion (36 percent) of eligible seniors and low-income families that it served twenty years ago at a benefit level commensurate with recent energy price increases, the fiscal year 2001 LIHEAP appropriation would need to be $4.6 billion—$2.3 billion more than the (regular and emergency) resources currently available. The Democratic Amendment offered by Mrs. DeLauro would have enacted an immediate $600 million emergency appropriation for LIHEAP while also providing a $1.4 billion fiscal year 2002 appropriation for the regular LIHEAP block grant to ensure that energy assistance to poor families is not disrupted this fall in the event that the enactment of the fiscal year 2002 Labor-HHS-Education bill is delayed beyond the start of the new fiscal year. This amendment was a much more appropriate response to this funding shortfall than either the White House or Republican Leadership, but was rejected by the majority by a vote of 29:32.

The Democratic amendment (Roll Call #1) to provide an additional $600 million for LIHEAP would have accomplished several purposes. First—it would have extended energy assistance to an additional 1 million low-income senior citizens. Second, the amendment would have provided the funds needed to prevent utility shut offs for thousands of families with unpaid bills from this past winter. Third, the amendment would have provided a cushion to take care of any heat emergencies this summer. Fourth, the amendment would have provided for any unforeseen energy emergencies such as the flooding that occurred last week in Texas and Louisiana, which may create an additional need for energy assistance. Fifth, by providing supplemental funding now, the Democratic amendment would have enabled states to stretch available LIHEAP resources by purchasing heating fuel in the summer months when it is the cheapest. Finally, the amendment would have provided a $1.4 billion FY 2002 appropriation for the regular LIHEAP block grant, ensuring no interruption in the delivery of critical energy assistance to needy families this fall.

As the energy crisis continues and more families and seniors go without adequate LIHEAP assistance, utility companies across the

country are reporting huge increases in arrearages. Survey results from 19 states show a total of $910 million owed in May 2001 for unpaid utility bills by 4.3 million families. A tally for all 50 states could easily be $2 billion or more in outstanding utility bills. For instance:

• In California, Southern California Gas experienced a 96 percent increase in delinquencies among its residential customers from February 2000 to February 2001, and arrearages increased from $51 million to $100 million, with over half a million customers in arrearage.

• Georgia reported 200,000 families owing $80 million in arrearages and facing disconnections.

• Iowa reported 180,000 families owing more than $34.5 million, more than double last years amount.

• Kentucky reported $31 million in natural gas arrearages with 94,000 pending shutoffs.

• Michigan reported 1.3 million customers with $98 million in arrearages.

• In New Jersey, the state's largest utility has sent out shut off notices to 276,000 families with arrearages of $271 million.

• Pennsylvania reported between 150,000 and 200,000 families in arrears. Pennsylvania utilities report a 64 percent increase in people with outstanding heating bills.

• Entergy Texas reported a 41 percent increase in arrearages from $7.3 million to $10.3 million.

• In Wisconsin, nearly 500,000 households were in arrears on electric and gas utility bills, with $98 million owed—an increase of 38 percent over last year.

Following these Minority Views, we have attached (1) a table displaying the number and percentage of eligible households served by LIHEAP in each state, (2) a survey conducted by the National Energy Assistance Directors' Association summarizing the funding status of LIHEAP in the states, and (3) information provided by the National Energy Assistance Directors' Association on utility arrearages in 19 states and the District of Columbia.

OTHER PROBLEMS WITH THIS SUPPLEMENTAL

A "Puzzling" Rescession: FEMA (Roll Call #1)

This supplemental appropriations bill takes funds from several critical items in order to offset other funding within this bill. First, the bill rescinds $389 million from the Federal Emergency's Management Agency's Disaster Relief Fund. The rationale provided is that since there is close to two billion dollars currently in the Fund, a $389 million rescission will still leave enough funds to future disasters. The fact is, however, that these disaster assistance dollars, both for disaster victims and for public facilities such as repair of roads and bridges, are already earmarked for previous disasters or for projected disasters. When these funds are needed, this proposed rescission could preclude prompt assistance to individuals or municipalities affected by a disaster. Additionally, the Administration, in their response to the proposed supplemental appropriations bill states, "* * * we are puzzled by the proposed rescission of $389 million in disaster relief funds for the Federal Emergency Manage-

ment Agency (FEMA). The rescission would eliminate much of the normal FEMA funding needed by the agency to provide quick and effective assistance to disaster-stricken communities and victims, should such action be requested in the future * * *" Given the latest storm, Tropical Storm Allison, which is larger than the "average" disaster, this is not the time to be rescinding funds from FEMA's Disaster Relief Fund.

HUD

Second, this bill rescinds $114.3 million from the Department of Housing and Urban Development's Housing Certificate Fund. At this time, $114.3 million from this account is not available in fiscal year 2001 and interfering with this fund threatens HUD's ability to assist low-income individuals. These recaptured funds are excess funds that are more than one year old. HUD officials cannot be certain that there will be sufficient excess funds to rescind. Because this rescission must come from this account only, the only option is for HUD to take $114.3 million from reserves. Taking funds from HUD reserves or having this rescission in any way affect low-income people is unacceptable.

Job training

The bill rescinds $359 million from FY 2002 advance appropriations for job training formula grants. This rescission is unwise, ill-timed, and damaging. It takes back funds which states and localities are already counting on for use during the job training program year beginning on July 1, 2001—just two weeks from now. The rescission represents and 11 percent cut for adult job training and a 16 percent cut in programs to aid workers dislocated by plant closings and mass layoffs. With unemployment and layoffs rising, this is exactly the wrong time to be cutting back on programs that assist unemployed workers obtain the skills training and job search assistance they need to find new, decent-paying jobs.

The rationale given by the Committee for this rescission is that balances of unexpended funds held by state and local job training agencies have apparently been growing during the current year. However, the main reason for this growth in unexpended balances is delays caused by the need to revamp local programs and governing bodies to conform to the new federal authorizing law, the Workforce Investment Act, which took effect last July 1. There is no reason to believe that the need for job training services has diminished, or that programs will not return to their normal expenditure rates once the transition to the Workforce Investment Act is over. We should not be telling local job training agencies to overhaul their programs in response to new federal law, and then penalize them with a rescission when that transition produces some spending delays.

Highway Emergency Relief Funding

The highway emergency relief program pays for the costs of fixing roads and bridges damaged by floods, earthquakes and other natural disasters. The FY 2001 Transportation Appropriations Act contained $720 million in emergency funding for this program.

That funding, plus the $100 million in mandatory funding this program receives each year, has all been allocated to states to pay for previous disasters. Today, there is no funding available for this program and there is a $33 million backlog of requirements from natural disasters that occurred this fiscal year—the earthquake in the state of Washington, ice storms in the states of Texas and Oklahoma, and a flood in Puerto Rico. Estimates are not yet available for the damage done from the most recent flooding in Texas. The Federal Highway Administration could borrow from other accounts to pay for these emergency needs, but the only funding not allocated to the states already is for the Transportation Infrastructure Financing credit program and only $44 million is currently available. It is highly unlikely that this $44 million would last through the end of this fiscal year. Additional emergency funding of at least $100 million for this program should have been included in this emergency supplemental appropriations bill. The majority erred in not properly addressing this emergency requirement.

Winter Olympics

Democrats are also concerned with the Administration's and the Majority's failure to provide adequate security for the 2002 Salt Lake City Winter Olympics on a timely basis. In August 1999, the Secret Service was given responsibility for designing, planning, and implementing security for the 2002 Games. In addition, several Treasury law enforcement agencies will provide personnel in support of the effort. However, the President did not request any additional funding in fiscal year 2002 for Treasury agencies to cover these costs. Recognizing this error, the Administration subsequently requested an additional $60.6 million as part of the supplemental funding request, but the Majority chose not to include the required funding in this bill. Given the unrealistic allocations required by the Majority's budget resolution, it is not clear if and how this requirement can be accommodated in the fiscal year 2002 bill. Effective security is key to a successful Olympics, and the Majority needs to ensure that sufficient funding is available for Treasury law enforcement agencies. It was a mistake not to provide funding for Winter Olympics in this bill.

CONCLUSION

It is a shame that this emergency supplemental appropriations bill contains nothing of substance to address the immediate needs of American citizens who face a national energy crisis according to the President. The citizens in Western States will endure more hardship as the summer unfolds. Democrats offer national initiatives for real near-term solutions that could be implemented quickly on a bipartisan basis. It is unfortunate that Republicans reject such proposals, and instead have produced this supplemental appropriations bill that fails to respond to the national energy crisis in any meaningful way.

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

[Estimated number and percent of households served, FY 2001]

State	Households served		Households not served		Elderly not served	
	Number	Percent	Number	Percent	Number	Percent
Alabama*	41,468	8.3	460,343	91.7	197,197	42.8
Alaska	7,500	13.4	48,271	86.6	8,740	18.1
Arizona	25,000	5.5	433,425	94.5	149,349	34.5
Arkansas	70,000	22.6	239,354	77.4	109,530	45.8
California*	123,280	3.4	3,466,979	96.6	1,129,586	32.6
Colorado*	75,000	21.9	267,962	78.1	87,355	32.6
Connecticut	68,000	16.6	342,270	83.4	158,525	46.3
Delaware	11,000	14.4	65,591	85.6	32,213	49.1
District of Columbia*	15,000	21.0	56,562	79.0	24,077	42.6
Florida	42,500	2.6	1,583,788	97.4	726,918	45.9
Georgia*	120,000	15.2	666,893	84.8	190,696	28.6
Hawaii	5,300	4.2	121,891	95.8	48,041	39.4
Idaho	30,930	26.0	88,089	74.0	31,341	35.6
Illinois*	350,000	27.9	903,643	72.1	518,146	57.3
Indiana	121,370	21.1	454,085	78.9	229,338	50.5
Iowa*	80,000	28.9	196,391	71.1	80,817	41.2
Kansas*	25,000	9.2	247,736	90.8	108,081	43.6
Kentucky*	209,748	49.9	210,262	50.1	148,569	70.7
Louisiana	92,100	18.6	403,885	81.4	183,634	45.5
Maine*	58,000	48.3	62,079	51.7	33,913	54.6
Maryland*	70,000	14.5	411,806	85.5	192,534	46.8
Massachusetts*	123,000	16.3	632,770	83.7	n/a	n/a
Michigan	362,000	34.7	680,702	65.3	298,029	43.8
Minnesota*	107,000	23.6	346,129	76.4	163,569	47.3
Mississippi	39,750	11.9	295,084	88.1	102,676	34.8
Missouri	110,198	20.2	435,361	79.8	187,986	43.2
Montana*	17,500	18.1	79,340	81.9	24,600	31.0
Nebraska*	25,500	14.5	150,542	85.5	74,936	49.8
Nevada	8,700	5.3	156,313	94.7	57,679	36.9
New Hampshire*	27,500	23.7	88,777	76.3	47,405	53.4
New Jersey	150,000	16.6	754,349	83.4	391,625	51.9
New Mexico*	48,000	25.5	140,568	74.5	51,558	36.7
New York*	818,000	35.1	1,513,183	64.9	724,283	47.9
North Carolina	151,000	17.7	702,356	82.3	292,147	41.6
North Dakota	14,000	18.5	61,632	81.5	27,714	45.0
Ohio	224,700	18.1	1,014,102	81.9	421,052	41.5
Oklahoma	86,000	24.4	266,521	75.6	105,912	39.7
Oregon	88,547	27.1	238,533	72.9	77,856	32.6
Pennsylvania	280,750	20.5	1,086,783	79.5	558,902	51.4
Rhode Island*	26,000	20.3	101,855	79.7	67,565	66.3
South Carolina	64,755	15.1	362,711	84.9	140,244	38.7
South Dakota	15,000	20.5	58,316	79.5	23,202	39.8
Tennessee	95,630	15.7	511,809	84.3	179,386	35.0
Texas	53,459	2.5	2,050,915	97.5	690,490	33.7
Utah*	30,000	21.9	106,844	78.1	32,988	30.9
Vermont	23,900	39.2	37,079	60.8	19,723	53.2
Virginia	83,518	12.8	571,146	87.2	227,810	39.9
Washington	75,000	14.6	438,476	85.4	130,032	29.7
West Virginia	55,000	23.2	182,397	76.8	90,696	49.7
Wisconsin*	110,100	22.5	378,737	77.5	176,561	46.6
Wyoming	10,000	19.5	41,395	80.5	18,258	44.1
Total	4,965,703	17.0	24,216,030	83.0	9,793,484	40.4

*These states have depleted or nearly depleted their FY 2001 LIHEAP allocations, according to the National Energy Assistance Directors' Association.

*Source: National Energy Assistance Directors' Association estimates, based on data collected by the Department of Health and Human Service.

NATIONAL ENERGY ASSISTANCE DIRECTORS' ASSOCIATION STATE-BY-STATE LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM SURVEY RESPONSES (JUNE 11, 2001)

Note: The following provides a state-by-state summary of available information on the status of each state's Low-Income Home Energy Assistance Program (LIHEAP). As of June 11, 43 states and the District of Columbia have responded to the survey. This survey will be updated as additional information becomes available.

KEY POINTS

• Of the states that have responded to date to the NEADA summer survey, 19 states and the District of Columbia reported that they were either out of funds or had very low balances. States reporting they were out of funds: District of Columbia, Iowa, Maine, Minnesota, Montana, New Hampshire, New Mexico, Rhode Island, and Wisconsin. States reporting very low balances: Alabama, Colorado, Georgia, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Nebraska, New York, and Utah.

• The remaining 24 states have at least the same amount of funds available to help low-income families as they had last year at this time: Alaska, Arizona, Arkansas, California, Connecticut, Delaware, Florida, Hawaii, Idaho, Indiana, Michigan, New Jersey, Nevada, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Vermont, Virginia, Washington, West Virginia and Wyoming.

The NEADA survey follows two earlier surveys this year. The first survey reported that the number of new families applying for program assistance had increased by more than 1 million, bringing the total of recipient families up to more than 5 million. The second survey, reported that 4.3 million households in 19 states and the District of Columbia were in arrears on their utility bills and faced possible shut-off of service. Summary tables from the two surveys are included at the end of the narrative.

The federal Low-Income Home Energy Assistance Program (LIHEAP) provides heating and cooling assistance to low-income families. During the current fiscal year (October 1, 2001 to September 30, 2002) the program is expected to provide assistance to at least 5.1 million households, an increase of 1.1 million over last year. Due to the rapid increase in demand for program services, many state program managers responded by spending most, if not all, of their program funds. In contrast to previous years, states retained fewer funds in order to address the immediate needs of low-income applicant households.

Alabama

Alabama's LIHEAP program has about $2–3 million remaining this year, which is less than last year as a result of the worst winter weather for many years and increases in fuel prices. All remaining funds will be expended for cooling assistance. The state has always had a cooling program, but there are less funds available this year. It is estimated an additional $5–6 million is needed for summer cooling, especially if the state experiences a severe summer.

Alaska

Alaska has about 9% of its funding left, which is the same as last year, in spite of an unusually warm winter this year. Although there are no winter shut-off moratoria, the state does help with arrearage payments and shut-off avoidance throughout the winter as part of the regular heating assistance program. There is no summer cooling program.

Arizona

Arizona runs a year-round program for heating and cooling and the supplemental contingency dollars received this fiscal year will be added into contracts effective July 1, 2001. These funds will be helpful in providing either/or higher benefit payments and serving more households. Arizona is a hot weather state and summer has arrived early this year, with triple digits in early May. As a result, more households are expected to apply and higher benefits will be needed to offset increases in utility rates.

Arkansas

Arkansas has $1.1 million remaining as of June 1, 2001, compared to $558,800 at this time last year. No cooling assistance program has been planned for the summer. Unless additional funds are released, Arkansas most likely will not have a summer cooling program. The state will use all of the remaining funds to avoid shut-offs, for connection/reconnection fees and on arrearages, if they are creating a crisis situation for the household. Approximately $1.2 million is needed to implement an adequate cooling program. Because of the harsh winter in Arkansas this year, many families are still trying to pay large arrearages on both gas and electricity bills in addition to their current bills.

California

California has about $900,000 left to provide shut-off and arrearage repayment assistance. The state is also disbursing about $30 million dollars from June 1–August 31st for cooling assistance and has appropriated $120 million dollars to provide supplemental funding as a result of higher prices due to the state's energy crisis.

Colorado

Colorado's caseload increased significantly this year and there are still 1,000 applications to be processed that were received before the program ended on April 30th. The current $1 million balance had been targeted as carryover for the start-up costs of next year's program, but will instead be used to fund the remaining applications (at a cost of approximately $150,000) and continue the year-round furnace repair and summer fan distribution programs. The summer Crisis Intervention Program (estimated to cost $200,000) and the summer fan distribution program (estimated to cost $50,000) may be discontinued for lack of funding and it appears very likely there won't be any start up money for next season. By comparison, last year at this time there was $2.5 million remaining after most cases had been processed.

Connecticut

Connecticut operates only a heating assistance program and anticipates approximately $4 million of this year's funding will be carried forward for start-up of next year's program. No cooling assistance program is planned, but one will be provided if weather conditions warrant it and funds are available early in the season.

Delaware

Delaware will have approximately $110,000 of unrestricted funds remaining at the end of June, compared to $0 last year at this time. The state has set aside $1.1 million for the Summer Cooling Assistance Program this year, compared to $600,000 set aside last summer. Although no funds were earmarked for arrearages last year, the $110,000 balance this year may be utilized for that purpose. Due to a moratorium from the Public Service Commission that prohibited the state's largest electric and gas utility from terminating a customer's utility services for about 16 months, many households are now faced with arrearages in the thousands of dollars. Specific numbers of households that may be eligible are not available, but the $110,000 remaining at this time would only help approximately 366 households if they each receive a benefit of $300. Delaware is considering avoiding paying any arrearages if not enough households can benefit from the $110,000 and using the funds instead to purchase and install new furnaces under the weatherization program. Or the state may provide assistance to the most severe cases of arrearages and help about 110 households at $1,000 each. If Energy Emergency Contingency Funds are released this summer, they will primarily be used to help low-income customers with arrearages who are facing service terminations.

District of Columbia

The District of Columbia operates a 12 month program but ran out of funds at the end of April. There is a the District might be able to use some local TANF funds to provide supplemental cooling assistance this summer.

Florida

By the end of June, Florida's LIHEAP program will have expended all the winter contingency funds. As a result of the increase in base funding this year, there is approximately $1 million (18%) more that will be available for summer cooling assistance than was expended last year. Typically, the state is able to provide cooling assistance to less than 5% of the eligible population. With the increase in base funding this year the summer cooling program will be able to assist 1–2% more of these eligible households. At this time, there does not appear to be a problem with a backlog of arrearages.

Georgia

Any remaining LIHEAP funds in Georgia at the close of the regular program will be used for cooling assistance. Last year a total of $5.4 million was expended for cooling assistance, and this year the current balance available is only $2.1 million as of May 7, 2001. All of these remaining funds will be used for cooling assist-

ance. However, at a maximum of $194 per household, only 10,644 households will be able to receive cooling assistance. Based on last year's expenditure data, an additional $1 million is needed for summer cooling. Sufficient funds are also not available to meet the needs for arrearage/shut-off avoidance assistance. In order to provide arrearage/shut-off avoidance assistance, an additional $3.7 million is needed, since there are 200,000 households in Georgia who owe approximately $80 million in natural gas bills alone.

Hawaii

Hawaii's program does not begin until June 1.

Idaho

Idaho has a current balance of $2.9 million as compared to $1.3 million last year at this time. None of the remaining dollars are targeted for cooling assistance or arrearage/shut-off prevention programs at this time.

Illinois

Only $5 million remains in the Illinois LIHEAP program this year, compared to $17 million last year. This $5 million balance will be used for summer energy assistance (last year's effort expended $10 million). The state committed $6 million this year for arrearage and shut-off prevention programs (compared to $2 million last year). The Illinois program estimates it needs $15–20 million for a statewide summer program and $10–15 million for arrearage/shut-off avoidance assistance.

Indiana

The State of Indiana has a little less than $2 million dollars remaining in the Energy Assistance budget (which includes LIHEAP & oil overcharge funds). These funds (about the same amount as last year) will all be used for summer cooling and summer fill. Funds have not been set aside for arrearage assistance this year, nor have they been in the past. The state is concerned about meeting the needs out of next year's funding, when it is anticipated many households will be coming in with high amounts in arrears.

Iowa

Iowa has exhausted all funds available. Approximately 79,000 households received a benefit that lowered their out-of-pocket expense (energy burden) to 6% of total household income. There are still approximately 5,000 eligible households that applied, but who, in the absence of supplemental funding, will not receive any benefit. Last year at this time, 62,000 households had received a benefit that lowered their out-of-pocket expense (energy burden) to 3.5% of total household income and there was a balance of approximately $2 million unexpended that was available for cooling emergencies if necessary. Ultimately, those funds were used for contracting with deliverable fuel vendors, locking in a lower price in August for delivery beginning in October. Unfortunately, this will not be an option this year. If the remaining 5,000 households are to receive the average benefit that the 79,000 households received, an additional $2.8 million is needed. In the interim between now

and the receipt of any supplemental funding, those 5,000 households will have no alternative other than to make payment arrangements that include the hoped-for LIHEAP benefit.

Kansas

By March 12th it was determined that applications for LIHEAP benefits were exceeding the 18.6% increase originally anticipated for the federal funds available. As a result, central office instructed field staff to pay only eligible households meeting the newly defined emergency criteria of: (1) disconnected, (2) out of fuel, or (3) tagged for disconnect (only households that were not regulated under the shut off moratorium, which had been extended to April 30th). LIHEAP benefits were paid out at 100% of the determined benefit matrix for a portion of the LIHEAP program. Since the amount of funding available was not sufficient to provide benefits at the 100% amount to all eligible households, the remaining eligible households were paid at a prorated portion of the original benefit matrix amount (47%). If the decision had not been made to pay prorated benefits, approximately 7,000 eligible households would not have received any type of energy assistance in a winter in which fuel costs escalated and the temperatures were extremely cold. The prorated benefit method was chosen in order to provide all eligible households as much of a benefit as possible with the remaining federal funds available. If additional funds become available the agency will further supplement benefits to those households that received only a prorated amount.

Kentucky

Kentucky only has $100,000–$150,000 of LIEHAP funding remaining. Approximately $7 million is needed to operate a cooling program. Already, early in the season, areas of the state have been experiencing temperatures in the high 80's with high humidity. In addition, nearly ¾ of the state has been declared to be in a severe drought.

Maine

All of Maine's LIHEAP funds have been obligated and there will not be any carryover over for next year. There are no funds available for summer cooling or arrearage and shut off avoidance programs, which is the same situation the state experienced last year.

Maryland

Maryland has less than $1 million remaining. These funds will be used for furnace repair and replacements. The state does not have any funds available for cooling assistance.

Massachusetts

Massachusetts will deplete all federal funds with a possibility of having up to $1 million left for carryover to next fiscal year. There will be no funds available for cooling assistance.

Michigan

Michigan does not expect to have any funds left at the end of the program year. Of major concern is that the program will need to

revert to FY 2001 program limits because of reduced funding in FY 2002 (unless funding is increased to include all amounts awarded as supplemental appropriations in FY 2001). This means the program will not be able to increase eligibility to higher levels of poverty, nor sustain CAPS (rates paid for energy), despite the fact that customer expenses are increasing. Additionally weatherization efforts could not continue at the same level, thereby exacerbating the long-term energy consumption problem.

Minnesota

Applications are up 34.6% over last year at this time and the benefit level is 34.7% larger to address higher energy costs. All funds have been exhausted and new applicants are being turned away, even though the plan states that applications will be taken until June 1, 2001. Last year there were sufficient funds to serve all who applied and an additional $4 million to carryover from FY 2000 to FY 2001. Minnesota has not traditionally offered cooling assistance. The FY 2001 state plan states that a medically necessary cooling program will be operated if funds are available, but it does not appear funds will be available for this purpose.

The state's crisis program, which addresses disconnections and emergency fuel deliveries, has increased this year by almost 400% over the previous year. The Public Utilities Commission estimates that total customer arrearages are $71 million. There are not sufficient funds to address those households who are still seeking assistance because of pending disconnects. Last year the program was able to assist all eligible households who applied. The PUC also indicates there are a minimum of 1,000 households statewide who have medical needs for cooling who may be income eligible for LIHEAP. An additional $300,000 would be needed to provide each of these households a benefit of $300. To serve all the applications currently pending would require an additional $1.9 million. Another $3 million in requests for crisis assistance are expected by June 1.

The Minnesota Department of Revenue mailed applications to 80,000 senior households early in April, and those applications are just coming in now. Last year a similar mailing resulted in a 12% return. If a similar return is experienced this year, an additional $5.4 million will be needed to serve these households with the average grant of $558. In previous years carryover funds were used to pre-buy propane and/or oil for the next heating season. Summer purchases have greatly benefited low-income households, providing them with more fuel for their money. In past years, the average early pre-buy program has purchased $2.3 million in delivered fuels. Unfortunately, there are not sufficient funds to pursue this activity this year. The total amount Minnesota needs for the remainder of this program year is approximately $12.8 million in additional funds.

Montana

Montana has no remaining funds from the regular and emergency appropriations this year, compared to a $400,000 balance last year. The state has not been able to offer summer cooling assistance or assistance with arrearages.

Nebraska

Nebraska has approximately $670,000 that has not been designated for client payments, weatherization, administration or FY 2002 carryover. Approximately $1.7 million that was designated for FY 2002 carryover can still be used in the current year. These amounts are less than the balances last year by about $1 million. Approximately $350,000 will be expended in the original cooling payment and then as other households qualify for cooling, the additional payments will increase. This initial payment is about the same as last year. During the summer months about $75,000–$100,000 a week has been expended for additional cooling and cooling crisis payments. Unless additional funds are received, Nebraska will not be able to help with any additional heating arrearages or shut-off notices. Clients are being advised to make payments over the summer and heating crisis assistance will be available next winter, as in the past. An additional $2 million would allow the state to avert more heating shut-offs.

Nevada

Although funding for Nevada's LIHEAP program increased by 15% in FY 2001, expenditures were up 22% compared to FY 2000, a shortfall of approximately 7% for FY 2001. This summer cooling assistance will be available statewide instead of only in the southern part of the state, at a total expected cost of $724,711 (up from $457,284). Due to limited federal funding in Nevada, the program was not designed to pay off arrearages, but eligible households can avoid shut-off by paying a portion of the outstanding balance. FY 2001 funding will be used to start up the 2002 LIHEAP Program effective July 1, 2001, which will run through May 31, 2002 (11 months). It is estimated 42% of the funding used will be used to assist households, statewide, with cooling costs. This is a new component. FY 2000 funding was not delineated for specific cooling needs. Only households in southern Nevada had their regular LIHEAP benefit split between their heating provider and their cooling provider. Approximately 55% of the households receiving LIHEAP benefits live in the southern part of the state where temperatures are easily above 100 degrees during the summer.

Approximately 146,000 households in Nevada are below 150% of the poverty level. Natural gas prices have increased 68% statewide, and electric costs, thus far, have climbed approximately 14%. However, incremental electric increases up to 45% have been presented to the PUC and are likely to be approved. Propane has increased 75%. Nevada increased the benefits for clients using these three major fuel sources, retroactively. The average benefit will be $304 once these retroactive supplemental payments are made (within the next 30 days). As such, if Nevada receives the same funding in FY 2002 as was received in FY 2001, the LIHEAP program will only be able to serve 7,988 households. This represents only 5% of the state's low-income households at 150% of poverty. Experts have presented data to the Nevada Legislature projecting the average monthly summer electric bill in southern Nevada will be $275 by next year. LIHEAP pays a one-time average benefit of $304 per year. Low-income households, particularly those on fixed incomes such as the elderly and disabled, will be unable to pay such high

cooling costs. As it is now, these people must make choices between medicine, food, or power.

New Hampshire

New Hampshire reports that all combined emergency/regular appropriations for FY 2001 have been obligated. Any remaining funds will be used to restore monies originally targeted for the state's weatherization program. The increased demand for assistance this winter season (18% increase in the number of households enrolled) caused the state to suspend other fuel assistance program components including the Summer Pre-buy program. At this point, sufficient funds do not exist to fully restore the two programs for this program year. Last year at this time approximately $409,185 had not been obligated. A cooling assistance program is not a regular component of New Hampshire's LIHEAP program.

At this point, the state is not in a position to further address the need to assist with arrearage payments and shut-off avoidance. Due to the demand for assistance and available LIHEAP funding, the program could not be extended beyond April 30th this year. Last year, the program was open for an additional month (to May 21, 2000). Although an analysis has not yet been completed on the amount of funds necessary to assist with arrearage/shut-off avoidance, the largest utility in the state has reported that as of March 30, 2001 the amount of residential accounts receivable had increased by 84% over last year (approximately $2.2 million).

New Jersey

New Jersey has not exhausted its FY 2001 funding. Although New Jersey raised its income limit to 175% of the federal poverty level and extended its application period, the state did not receive as many applications as anticipated. Remaining funds (up to 10% of total funds) will be transferred to the Weatherization Assistance Program after all outstanding applications for assistance are processed.

New Mexico

New Mexico has no remaining LIHEAP funding. The program has remained open with money received from the State. Even with the supplemental benefits that were issued, there are daily reports of households losing service or unable to purchase propane. The average benefit this year is $250, whereas the average benefit in FY 2000 was $118.

New York

As of May 25th, New York estimates a LIHEAP funding balance of only $23 million, which includes funds carried forward from FY 2000 to FY 2001. Last year at this time the balance was $35 million. No cooling assistance is provided, nor does the state set aside funds for arrearage payments and shut-off avoidance. Crisis funds are still available to avert shut-offs through the HEAP emergency component.

North Dakota

After meeting all commitments (including weatherization and other services), North Dakota will have about $2.5 million remaining. There is no "cooling program" as such, but the program does purchase air conditioners for people with a medical need, at a total cost of approximately $200,000. Expenditures in the emergency (crisis) program have been 84% higher this year than last.

Ohio

Ohio's LIHEAP program will expend about $5 million on cooling assistance this year, which is the same as last year. A supplemental heating assistance benefit will be provided to everyone assisted in FY 2001 with the remainder of the uncommitted funds (estimated to be around $20 million). Because so many households had such high natural gas bills this winter (and 75% of the households assisted use natural gas), this additional benefit will lessen the chances of these households facing a shut-off during the summer. This additional benefit was not provided in FY 2000. The contingency funds provided benefits to an additional 50,000 households this year, who will have to be turned away and/or benefit/eligibility levels reduced if funding in FY 2002 is not at the same level as FY 2001.

Oklahoma

In addition to the $16.2 million Oklahoma received in LIHEAP funds this year, $11.5 million was transferred into the program from TANF, and $4.8 million was received from the state. The estimated balance remaining, after excluding the $1.5 million set aside for crisis assistance and summer cooling, is only $3.7 million.

Oregon

Oregon has expended about 80% of the total funding received. If the additional contingency funds had not been allocated to the state this year, the program would have been fully expended by the beginning of January. The remaining funding will probably be targeted for weatherization assistance and pre-purchases of oil and bulk propane. Additionally, some cooling assistance may be provided in the eastern part of the state or in the metro area where more households reside in apartments.

Rhode Island

For the most part, Rhode Island's program is currently out of funds that were allocated for fuel bills. Last year the program was able to stay open for most of the summer to help out with shut-offs. It does not appear there will be funds available for cooling or summer crisis, although $3–4 million is needed.

South Carolina

South Carolina has approximately $779,308 remaining from this year's combined emergency fund/regular appropriations, compared to $259,400 last year. An estimated $3,024,995 will be used for cooling assistance, compared to $1.3 million last year. Although the maximum benefit was raised from $250 to $800 this year, there are still a large number of households in arrearage. The largest utility

company in the state is averaging 37,000 arrearages a month. Given the maximum benefit of $800, an additional $1 million is needed to provide assistance to alleviate these arrearages.

South Dakota

South Dakota has less than 10% of the funds received this year remaining, which is about the same as last year. No summer cooling assistance is available, and, although the state is getting reports of very large arrearages, there are no funds available to help families deal with their balances or prevent shut-offs.

Utah

Utah has set aside $500,000 for cooling and crisis assistance this year, compared to $650,000 last year. The state provides cooling assistance only as part of the crisis program. It is anticipated the need in FY 2002 will exceed that experienced this year. Funds may have to be taken out of the 10% carryover set aside for next year to supplement crisis/cooling assistance through the summer.

Vermont

In Vermont out of $14.5 million received in FY 2001 (block grant, contingency grants, carry forward, leveraging incentive, and reallotment funds) only $490,000 has not been allocated (3%). Last year at this time, out of $11.4 million, $685,000 had not been allocated (or 6%). None of the remaining funds are targeted for cooling assistance or arrearage payments and shut-off avoidance. Last year, $200,000 was allocated for spring, summer, and fall emergency assistance (heat and electric service disconnections—but not cooling assistance). Vermont does not anticipate a similar allocation will be available this year.

Virginia

Virginia has approximately $3 million remaining from its combined emergency fund/regular appropriations for FY 2001, which is the same as last year. Also, as last year, this entire amount will be targeted for summer cooling assistance. Based on applications received last year through the cooling assistance program, this amount is not sufficient to meet the need. Virginia would need an additional $2.1 million to serve the number of applicants from last year. The state does not have a program that specifically targets clients with arrearages and/or cutoffs because the current appropriation does not provide sufficient funds to initiate a new targeted type of assistance. However, due to the tremendous increases in fuel costs during the past winter many citizens experienced severe hardship in making payments and are now threatened with shut-off and have huge arrearages. In assessing the need for additional assistance for both utilities and deliverable fuels, the state estimates a need for an additional $5.6 million, based on the 1999–00 fuel case count plus the 2000–01 crisis case count.

Washington

Washington anticipates serving 25% of the eligible households this year, which leaves 75% unserved. If the federal appropriation

for FY 2002 is only $1.4 billion, the state will only be able to serve about 19% of the eligible population.

West Virginia

West Virginia estimates a current unencumbered LIHEAP balance of $2.5 million. None of the remaining funds is earmarked for cooling or arrearage/shut-off avoidance. However, a supplemental payment to LIHEAP households that contain a person age 60 or older may be used for heating arrearages or to offset anticipated cooling costs. A minimum of $1 million is needed for cooling assistance.

West Virginia utilizes an automated benefit issuance/eligibility determination system called RAPIDS. Cost allocations for workers to enter applications into the system mount up quickly, making it necessary to keep the LIHEAP season short. No state funds are used for LIHEAP at this time. Additional funds are needed to help the state's most vulnerable households.

Wisconsin

Wisconsin has depleted all LIHEAP funds available, in contrast to last year when there was over $4 million left to use for summer fills, arrearages, etc. in preparation for the next heating season. There are no funds available for cooling assistance this summer, and the state will only be able to operate a cooling program if supplemental funds are awarded for this purpose and if there is a heat emergency declared in the state. Although the state intended to provide a supplemental allocation to local agencies for crisis assistance, it has not been able to do so because of the costs for the basic heating assistance payments. Based on current federal funding levels (the President's budget) the state will receive $31 million less for the next heating season than was received through regular and supplemental appropriations this year. Even if the level proposed by the Senate were adopted, Wisconsin would still receive $11 million less that was awarded this year. Caseloads for the regular heating assistance program are up over 30% in numbers of paid households and up 70% in the dollar amount of heating assistance paid. The amount of crisis funds available to local agencies has also been increased by over 200%. For the first time the state provided $14 million of utility public benefits dollars, which was used primarily for electric benefits.

Wyoming

Although Wyoming currently has a remaining LIHEAP balance of about $1.2 million left, these funds will be used for additional benefits and administrative costs. There is no summer cooling assistance program and the crisis portion of the regular program concluded on May 15th. Although sufficient funds were available for this year, the need is increasing rapidly with higher fuel costs, which will result in higher numbers and amounts of arrearages next year.

TABLE 1: STATE LISTING OF SHUT-OFF AND ARREARAGE INFORMATION (MAY 14, 2001)

Arrearage and shut-off data is currently being collected by NEADA. As of May 14, 19 states and the District of Columbia reported arrearages totaling almost $910 million owed by 4.3 million families. The following is a brief state-by-state summary of those states providing arrearage and shut-off data. For further information about this survey contact:

California: Southern California Gas has experienced a 96% increase in delinquencies among its residential customers from February 2000 to February 2001 increasing from 369,000 delinquent customers to 723,000 within that period. During the same period, arrearages for Southern California Edison increased from $51 million to $100 million, while the number of customers in arrearage increased from 431,182 to 567,256.

Connecticut: Under the state's moratorium, Connecticut Natural Gas reported 12,994 families as compared to 10,378 last year; United Illuminating reported 12,000 families (of which 7,000 are delinquent and could be terminated between April 16th and May 16th, depending on the billing cycle); and Connecticut Light and Power reported 25,950 households. The number of delinquents may also drop as customers make payments/arrangements when faced with the prospect of having their service disconnected.

District of Columbia: Washington Gas reported that 14,694 residential customers who were at least 60 days in arrears owed approximately $6.6 million. Of that total 5,229 have received shut-off notices and were mailed a special letter urging immediate action to avoid shut-off.

Georgia: Approximately 200,000 families owe about $80 million in arrearages. These families could potentially lose their gas service beginning April 1st when the moratorium is lifted.

Indiana: The moratorium on shut-offs will expire on April 1st. Arrearages are estimated to have increased to $30.5 million from $14.4 million. Approximately 50,000 families could be at risk of shut-off.

Iowa: The state has reported there are 180,000 families with more than $34.5 million in arrearages, more than double last year's amount. The state PUC has extended the moratorium until May 1st.

Kansas: Kansas Gas Service reported that 27,000 of their customers are in arrears, with average amounts that are two to three times larger than normal due to the increased costs of utilities. Last week, the Kansas PUC extended the moratorium on natural gas and electric service disconnections through May 31st.

Kentucky: Natural gas arrearages total $30.9 million with 94,010 pending shutoffs.

Louisiana: Entergy, the state's utility serving the New Orleans area, reported $32.9 million in arrearages, up from $14 million last year. The average amount in arrears this year is $400 vs. $267 last year. The total number of residential families with arrearages totals about 76,000 accounts.

Michigan: Utilities serving 5.7 million customers reported that 1.3 million of its customers have generated arrearages totaling almost $98 million.

Minnesota: Arrearages for electric and natural gas total approximately $71.6 million. The average residential arrearage increased from $168 last year to $267 during the current year. As many as 100,000 families currently are past due on their accounts and could be disconnected after April 15th and the expiration of the Cold Weather Rule.

Mississippi: Entergy Mississippi residential arrearages are projected to increase by 36% from $5.6 million to $7.6 million.

Missouri: The state's two largest natural gas companies have had a self-imposed moratorium on shut-offs that expired March 15th. The current arrearage amount is approximately $6.3 million and the estimated number of families to be shut-off within 30 days, if bills are not paid, is 13,091.

New Jersey: Public Service Electric and Gas, the state's largest utility, reported residential arrearages of $271 million, an increase of 14% over last year. Shut-off notices have been sent to 276,715 families, an increase of 6% over the same period last year.

Pennsylvania: Between 150,000 and 250,000 families in arrears and are expected to begin receiving shut-off notices.

South Carolina: Arrearages have increased by 30% from last year, totaling $13.5 million. Almost 37,000 families are facing shut-offs.

Texas: Entergy Texas has reported an increase of 41% in arrearages from $7.3 million to $10.3 million.

Virginia: Columbia Gas reports a $12 million arrearage this year as opposed to $2 million last year. Dominion Virginia Power, the largest electricity supplier, is reporting a 33% increase in arrears over last year. Approximately 20,000 customers will receive shut-off notices once the voluntary moratorium is lifted.

West Virginia: American Electric Power has reported that 55,000 of their 367,764 residential customers owe about $5.5 million in arrears. The average arrearage is $106. Shut-off notices are currently being mailed.

Wisconsin: Total electric and gas arrearages increased by almost 38%, from $71.0 million to $97.7 million. The average amount in arrears increased by about 23%, from $206 to $167, while the number of households in arrears increased by almost 12 percent, from 424,607 customers to 473,989 customers.

DAVID OBEY.

ADDITIONAL VIEWS OF HON. NORM DICKS

Despite the best efforts of the Chairman, Ranking Member, and other members of the Defense Subcommittee, the defense section of this bill is simply not up to the task of providing for the glaring shortfalls in funding at the Department of Defense. The Committee has made several appropriate adjustments to the Administration's request for funding for DOD, including providing $39.9 million for repair of natural disaster damages at military facilities, and adding $200 million for health care at military treatment facilities. However, the Committee was hobbled by an Administration request that was substantially under funded give the Department's need, and a threat by the Administration to veto any bill which provided for the Department's full requirements.

It is my view that despite the Administration's veto threat, the Committee should have increased funding for DOD by at least $3 billion in emergency funding. In February, I and several other Democratic members of the Appropriations, Armed Services, and other House committees introduced a Defense Supplemental of $6.7 billion. That bill was based on the testimony of the chiefs of each of the military services, and contained $2 billion in funding for shortfalls in readiness accounts not included in the Administration's request transmitted to Congress. These shortfalls not addressed by the Administration include $558 million for spare parts, $334.5 million in pay and Basic Allowance for Housing (BAH) requirements, $254 million for force protection programs, $157 million for aircraft and ship depot maintenance, and $150 million for recruiting and retention, among many others. Although the Administration's request contained about $1 billion in funding for shortfall not covered in our supplemental, including many requests for research and development and procurement funding, the Administration's request is still over $1 billion short of our bill in total, and the need for funding has only increased in the time since the chiefs of the four military services testified before Congress in January of 2001.

The Administration has provided no credible explanation for its neglect of $2 billion in shortfalls in core readiness accounts. And more recent information on FY01 shortfalls at DOD have convinced me that each of the military services will remain $1 billion short of their requirements even after the bill approved by the Committee is passed unless more funding can be added. It is the responsibility of Congress to correct the President's defense budget and supplemental funding requests when they are lacking, a responsibility which Congress has kept, with bipartism support, in each of the last several fiscal years. For exactly the same reasons as in those years, both the Congress and the Appropriations Com-

mittee must reevaluate the level of DOD funding in this year's supplemental as it moves through the legislative process.

NORMAN DICKS.

○