

Growing up in the projects, you had a strong sense of community, a strong sense of pride, and everybody looked after everybody else. You lived for the guy upstairs, downstairs, and over the back fence. We were all treated as citizens and not subjects, and when a person is respected, they respond accordingly.

Mr. Speaker, there is no doubt about it, public housing has slipped a long way since then. It has slipped a long way since I was a tenant. But that is no reason not to try to get it back where it was. That is no reason to change Federal housing from a program that is targeted to the poorest of the poor to a program for everyone else. That is what the bill will do, Mr. Speaker. This bill takes housing away from those in most need, and pushes them further towards the fringes of society. It will widen the already enormous gulf between the rich and poor in this country at a time when the American children need all the help we can give them, no matter how much money their parents make.

Mr. Speaker, there are some good ideas in this bill. There are some provisions for flexibility and for administrative reforms that we badly need, but the rest of the bill just goes too far. My Democratic colleagues will propose a bill to improve our housing program by implementing ideas that everybody agrees to. But the Democratic substitute eliminates that risky block grant program which takes funding away from housing and does absolutely nothing to ensure that the funding will be available to operate and maintain the current units. The Democratic bill keeps public housing on the side of poor people. The Democratic bill keeps public housing on the side of the children.

Mr. Speaker, I urge my colleagues to support this open rule and oppose the bill. Public housing should be a leg up for those who need it, and not for everyone else.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Columbus, OH [Ms. PRYCE], a valued member of the Committee on Rules.

Ms. PRYCE of Ohio. Mr. Speaker, I thank the distinguished vice chairman of the committee, the gentleman from California [Mr. DREIER] for yielding me this time.

Mr. Speaker, I rise to express my support for both this open rule and the Housing Opportunity Responsibility Act. First, I want to commend the chairman, the gentleman from New York [Mr. LAZIO], and the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services for crafting legislation that follows our basic principles of, No. 1, making the American dream of affordable housing more attainable; No. 2, empowering individuals to improve their lives; No. 3, returning

more decisionmaking authority to States and localities where it belongs.

Mr. Speaker, H.R. 2 does all of these things, fundamentally changing the public housing in section 8 rental assistance programs and allowing the Federal Government to support local communities in their decisions.

Under this bill, the emphasis is placed on providing the most service for the least cost, and tailoring Federal assistance to fit local needs, so the limited Federal resources are invested in ways that are likely to achieve the greatest return.

Fundamental to the bill is the belief that those who receive Federal assistance share a responsibility and an obligation to pursue self-sufficiency. H.R. 2 would remove disincentives to work, while linking continued Federal assistance to a modest amount of community service each month.

While I support this legislation, I am concerned that H.R. 2 falls short of fully addressing the issue of national occupancy standards. This year I cosponsored legislation introduced by the gentleman from Florida [Mr. MCCOLLUM] to give States the authority to set their own occupancy standards. In the absence of State law, it would allow of a standard of two persons per bedroom plus infants. As I understand it, the so-called McCollum language was originally included, but was later scaled back significantly during the markup.

In my view, the housing bill offers us the perfect and appropriate opportunity to give States the flexibility and authority to set their own standards and to implement a reasonable standard in their place when States fail to take action.

A major housing reform bill like H.R. 2 should take advantage of the experience and expertise of those who deal with these issues on a daily basis. I hope this might be addressed at some point in the process.

Mr. Speaker, promoting safe, clean, and healthy housing is central to the American dream, especially for low-income persons. I believe this legislation is critical to reducing the concentration of power at the Federal level that has stifled innovation and kept local housing authorities out of the decision-making process. I urge support of the bill and the rule.

Mr. MOAKLEY. Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Surfside Beach, TX [Mr. PAUL].

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, I appreciate very much the gentleman's yielding time to me.

Mr. Speaker, I am very pleased to be able to support this rule coming to the floor, and pleased that it is an open rule. We will have a chance to debate housing. I think it is a very important debate. We have had this debate going

on now for several weeks in the Subcommittee on Housing and Community Opportunity. Unfortunately, as far as I am concerned, the debate has not keyed in on the real important issue of whether or not public housing is a good idea.

This particular piece of legislation does very little more than juggle the bureaucrats in hopes that it will do some good. Public housing started in 1937 with the U.S. Housing Act, and we have been living with public housing ever since. In 1965 HUD was created, and since that time, we have spent literally hundreds of billions of dollars.

We have no evidence of any sort to show that public housing is a good idea. It causes a great deal of problems and actually takes housing away from many, many poor people. But it costs a lot of money and costs a lot of hardship to a lot of people. The principle of public housing is what needs to be debated. Hopefully, in the general debate and in the debate over the amendments, we will be able to direct a debate in that area.

One thing that I think our side, the side that I represent, that is the free market and the constitutional approach to housing, we have, I would grant you, done a very poor job in presenting the views on how poor people get houses in a free society. Since we have had 30 years of experience and there is proof now that it leads to corruption and drug-ridden public housing projects that do not last very long and it costs too much money, we ourselves who present the market view have not done a good job, emphasizing lower tax, less regulation and growth economy, sound monetary policy, low interest rates; this is what will eventually give housing to the poor people.

But I think it is very important that we not construe anybody who opposes this bill as being one that has endorsed the notion or rejects the idea.

Mr. Speaker, the one other point that I would like to make is one of the arguments in favor of this bill is that it is going to be saving some money in the bureaucratic process. But if this is the case, one must look very closely at the CBO figures, because last year the HUD budget took \$25-plus billion. This year, with this wonderful new program, we will be asking, according to CBO, \$30.4 billion, an increase of about \$5 billion. And this is not the end, it is just the beginning. So this is an expansion of the spending on public housing.

By the year 2002, it goes up to \$36 billion. So the best I can tell is we were working on the fringes, we are not dealing with the real issues, we are not dealing with the principle of whether or not public housing is a good program.

I, for one, think we can do a lot more for the poor people. There are more homeless now, after spending nearly \$600 billion over these last 20 years, than we had before. So I am on record for saying we must do more but we can do more by looking more carefully at the market.

Mr. DREIER. Mr. Speaker, we have a couple Members who are very enthusiastic in expressing their desire to speak, but I am having a challenging time to educate them right now; and I do not know if my friend, the gentleman from South Boston, MA [Mr. MOAKLEY] has anyone.

Mr. MOAKLEY. Mr. Speaker, if it makes the gentleman from California [Mr. DREIER] feel any better, after we pass the rule, I would be glad to listen to their conversation seated here in the Chamber.

Mr. DREIER. Mr. Speaker, I urge an "aye" vote on the rule.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I urge strong support of this rule, which will allow for a free and fair debate under an open amendment process.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 133 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2.

The Chair designates the gentleman from Virginia [Mr. GOODLATTE] as Chairman of the Committee of the Whole, and requests the gentleman from Illinois [Mr. LAHOOD] to assume the chair temporarily.

□ 1430

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2) to repeal the United States Housing Act of 1937, deregulate the public housing program, and the program for rental housing assistance for low-income families, and increase community control over such programs, and for other purposes, with Mr. LAHOOD (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Iowa [Mr. LEACH] and the gentleman from Texas [Mr. GONZALEZ] each will control 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Chairman, I yield myself such time as I may consume.

I rise today in support of H.R. 2, the Housing Opportunity and Responsibility Act of 1997. I want to thank the gentleman from New York [Mr. LAZIO] for his extraordinary leadership on this bill as well as the constructive commentary of the gentleman from Massachusetts [Mr. KENNEDY], who is the ranking member on the subcommittee, as well as the distinguished ranking

member of the full committee, the gentleman from Texas [Mr. GONZALEZ].

H.R. 2 is the product of numerous hearings that were held by the Committee on Banking and Financial Services as well as 4 days of markup which included more than 70 amendments, with some 20 amendments from the minority side adopted.

H.R. 2 was reported by the committee by a vote of 28 to 19. In the last Congress, a similar bill, H.R. 2406, was reported out of the committee and passed the full House by a bipartisan vote of 315 to 107.

Reforming our Nation's public housing programs, regardless of one's philosophical beliefs, is a priority both for the Congress and the administration. The committee was encouraged when Secretary Cuomo appeared before the Subcommittee on Housing and Community Opportunity on March 6 and stated that he will work night and day to enact historic public housing reform legislation. Likewise, the committee has been committed to working with Secretary Cuomo to reform rather than eviscerate HUD and the programs under its jurisdiction. Members may recall that 2½ years ago many in the administration and some in this body favored elimination of HUD. The Committee on Banking and Financial Services prefers to maintain a credible public housing commitment, recognizing that moneys are short and that disappointments in some areas may be significant.

Nevertheless, we believe that reform and rehabilitation are preferable to stultification and decay.

Virtually all interested parties agree that the current public housing system does not serve the tenants of public housing well, nor does it efficiently or effectively utilize taxpayer dollars that are appropriated for public housing programs.

Quite simply, H.R. 2 is as much about improving the lives of low-income families and individuals as it is about fiscal responsibility and Government accountability.

H.R. 2 replaces outdated laws and programs with a new empowering approach for communities designed to be relevant to the 21st century. Along with welfare reform efforts, this bill is a critical step on the path to revitalizing empowerment programs that were crafted decades ago in a different social, legal, and economic environment.

Without question, there are a number of important issues where the majority and minority part ways on philosophical grounds. These issues were debated and considered in an open forum at the Committee on Banking and Financial Services, and I am pleased that the rule for this bill provides for the same opportunity in the full House.

While I do not wish to review all the issues where there are disagreements at this time, I would like to briefly touch upon one issue where there appears to be an inconsistency within the ranks on the congressional minority

and the Democratic administration. H.R. 2 provides that each adult member of a family residing in a public or assisted housing project contribute not less than 8 hours per month in community service activities. Individuals who would be exempt from this requirement include the disabled, the elderly, persons who are employed and others who are otherwise physically impaired from performing such services.

Also, the provision is structured so as not to duplicate community work requirements under local welfare reform efforts.

This provision is generally based upon the long held American precept that those who receive assistance from a community should give back to that community in some way. Some of our Democratic colleagues argue that this provision is punitive and demeaning. Yet it is worth noting that the administration's public housing bill that was provided by Secretary Cuomo and introduced by the gentleman from New York [Mr. LAZIO] and the gentleman from Massachusetts [Mr. KENNEDY] by request included the same provision to require 8 hours of community service. Also, the public housing bill that passed the House in the last Congress by a resounding 315 to 107 vote, which was submitted by former HUD Secretary Henry Cisneros, included the same community service requirements to which our colleagues on the other side are now raising objections.

It is true there could be a slight administrative cost increase in this work component, but it would be our hope that this cost could in part be borne by those asked to fulfill a work commitment. In the larger picture, the bill is deregulation oriented with the CBO estimating administrative savings of \$100 million over 5 years.

As for funding, this bill matches the administration request for fiscal year 1998 and is consistent with the fiscal year 1997 enacted levels. In other words, our approach represents a freeze on spending with greater administrative discretion allowed at the housing authority level.

Given efforts to balance the budget, this bill represents an administration congressional consensus. The minority is correct that the bill moves to more mixed income housing with housing authorities, at their strong request, allowed to provide housing to the near poor as well as the poor. While all poor currently in housing are legislatively protected, it must be understood that there are many aspects of current public housing programs which have been judged by experts as well as the public as a failure. To concentrate the very poor alone in public housing, particularly high-rise housing, is to condemn them in many instances to poverty segregation.

Single dimension, lowest income housing simply has not worked. For the sake of decent standards of housing for the poor, more local discretion is needed.