

two additional fiscal years, from fiscal year 1997 to fiscal year 1999. This program provides a set-aside out of Sections 502 (single-family), 504 (Repair Loans and Grants), 514 (Farm Labor), 515 (Multifamily Housing) and 524 (site loans) for projects in underserved counties as defined by the Housing Act of 1949.

Section 402. Housing and related facilities for elderly persons and families and other low-income persons and families

(a) Authority to Make Loans. Extends Section 515(b)(4) of the Housing Act of 1949, the authority of the Secretary of Agriculture to make loans, for two additional fiscal years until September 30, 1999. Section 515 provides for multifamily housing loans.

(b) Set-Aside for Non-Profit Entities. Extends Section 515(w)(1) of the Housing Act of 1949, providing for a certain level of funding to be set-aside for non-profit entities, for an additional two fiscal years until September 30, 1999.

Section 403. Loan guarantees. For multifamily rental housing in rural areas

Amends Section 538(q) of the Housing Act of 1949 by inserting a new provision establishing that the Secretary may enter into loan guarantee commitments under this section only to the extent that the costs of the guarantees entered into in a fiscal year do not exceed the amounts provided for that fiscal year in appropriations Acts.

Amends Section 538(t) to extend authorization for loan guarantees made under this title until fiscal year 1999.

TITLE V—REAUTHORIZATION OF NATIONAL FLOOD INSURANCE PROGRAM
Section 501. Program expiration

Amends Section 1319 of the National Flood Insurance Act of 1968 to extend the Act for two additional years until September 30, 1999.

Section 502. Authorization of borrowing authority

Amends Section 1309 of the National Flood Insurance Act of 1968 to extend the borrowing authority until September 30, 1999.

Section 503. Emergency implementation of program

Amends Section 1336(a) of the National Flood Insurance Act of 1968 to extend the expiration date until September 30, 1999.

Section 504. Authorization of appropriations for studies

Amends Section 1376(c) of the National Flood Insurance Act of 1968 to extend funding authorization for appropriations, in such sums as may be necessary, for studies conducted under the relevant title of the Act, for each of fiscal years 1998 and 1999.

Mr. GILMAN. Mr. Speaker, I rise in support of the Senior Citizen Home Equity Protection Act. Senior citizens are one of our Nation's greatest assets. The guidelines set by this bill will help protect seniors from losing the financial independence they have worked all their lives to achieve.

The Senior Citizen Home Equity Protection Act gives the U.S. Department on Housing and Urban Development authority to issue rules to protect seniors from being overcharged while trying to obtain reverse mortgages. This act also requires that the mortgagor receives a full disclosure of all the costs acquired while attempting to attain this type of mortgage.

A reverse mortgage allows senior citizens age 62 or older to borrow money against the equity of their homes and does not require them to make monthly or principal payments. The purpose of a reverse mortgage is to allow

seniors who are "house rich," but "cash poor" to access the equity they have invested in their homes so they may have the money they need to live comfortably on a day to day basis.

If it were not for reverse mortgages, a senior citizen homeowner might have to put their home on the market to cash in on its equity just so they can survive. This would also result in their having no other option but to move into a retirement home, ultimately making them lose the peace of mind and security they had built up in the neighborhoods they used to live in.

Some senior citizens may need our help in protecting the equity which they spent most of their lives in building. That is why I urge my colleagues to join in unanimously supporting the Senior Citizen Home Equity Act.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of S. 562, the Senior Citizen Home Equity Protection Act.

This bill would authorize the Housing and Urban Development [HUD] Department to issue rules to protect senior citizens from being charged unreasonable fees for obtaining reverse mortgages; it reauthorizes for 2 years Federal rural multifamily rental housing development programs and the National Flood Insurance program; it extends for 6 months certain public housing reforms that have been included in appropriations acts the past 2 fiscal years; and it extends for 1 year a section 8 portfolio reengineering demonstration program included in last year's VA-HUD appropriations act.

Maintaining a secure, fair and reliable source of credit for home purchases by senior citizens is very important to me. The service that past generations provided this country is invaluable. Through two World Wars and economic downturns, they stayed the course and kept this country on track to become the economic, social and political success that it is today.

This bill will provide security for seniors who for whatever reason want to purchase a home.

On the behalf of the residents of the 18th Congressional District I am in full support of this bill and would like to urge my colleagues to join me in voting for this measure.

Mr. PAUL. Mr. Speaker, today we are asked to support a bill which has the Federal Government engaged in the unconstitutional business of further regulating mortgage brokers, extending Federal housing programs—some of which would be extended permanently by this bill—and offering flood insurance programs.

This bill will add new regulations by Government and impose new restrictions on the private sector which provides most of the safe and affordable housing in this country. Such regulations and restrictions raise costs and limit availability of housing for our citizens insofar as such additional costs may ultimately be passed along to the consumer. This bill will further add to the Federal Government's intrusion in the housing market by limiting private sector initiatives to help consumers obtain mortgage loans, and eventually, their own homes.

Second, this bill would make authorization of some programs permanent so that future representatives of the people will not be able to judge the wisdom of these specific programs. To the extent Congress has any constitutional right to legislate in this sphere at all,

certainly, Representatives must have the legal ability to weigh the specific needs of their constituents and make appropriate decisions. Some of these multi-housing programs are mere demonstration projects which have not proved their worthiness. They have, however, proved their cost to the taxpayer with ever-rising tax bills without the corresponding benefits. Government-run housing schemes are less efficient, more costly and limit the private sector's ability to provide the services that the public wants at a price that properly takes into account true economic costs. Even such misnamed "good government" housekeeping provisions merely perpetuate and extend the Government's reach into the private sector and, ultimately, into the wallets of taxpaying Americans.

With respect to Federal flood insurance programs, the constitutional separation of powers strictly limited the role of the Federal Government and, at the same time, anticipated that maintaining the balance between cost, risk, and the benefits of insuring one's property was best reserved—via the ninth and tenth amendments—to State and local governments, or individuals respectively. One can insure oneself against virtually every natural disaster at some policy premium. Determination of whether the peace of mind and other benefits of insurance outweigh the premium for any particular property is not amongst the constitutionally enumerated Federal powers. The private market provision and resulting cost internalization of such insurance premiums will accomplish much toward enhancing macroeconomic efficiency and, at the same time, eliminate the necessity for the national government to overstep its constitutional bounds with governmental "pseudo-insurance."

In addition, this bill did not go through the proper committee process. I am a member of the House Committee on Banking and Financial Services and have not had the opportunity to vote on, amend, improve, or block this piece of legislation. It is in the committee process, where respective Members make it their responsibility to be better versed in that committee's respective issues, amend and hopefully improve bills as they move through the legislative process. Members of the Banking Committee should have had the opportunity to review relevant legislation before it is voted on by the entire House of Representatives.

As a U.S. Congressman, I remain committed to the Constitution which I, only months ago, swore to uphold. This country's founders recognized the genius of separating power amongst Federal, State and local governments as a means to maximize individual liberty and make Government most responsive to those persons who might most responsibly influence it. For each of these reasons, I must rise in opposition to S. 562, the Senior Citizen Home Equity Protection Act.

Mr. LAZIO of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. LAZIO] that the House suspend the rules and pass the Senate bill, S. 562, as amended.

The question was taken.

Mr. CONDIT. Mr. Speaker, I object to the vote on the ground that a quorum