



Legislative Bulletin.....October 1, 2003

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H.R. 1276—American Dream Downpayment Act (Harris)

Order of Business: The bill is scheduled to be considered on Wednesday, October 1st, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1276 would allow the Secretary of Housing and Urban Development (HUD) to make grants to participating jurisdictions for downpayment assistance toward the purchase of single-family housing (primary residence) by first-time, low-income families (under the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12821)). The downpayment grant program would be administered under HUD's Home Investment Partnerships Program (HOME), which is an existing grant program that helps communities expand the supply of standard, affordable housing for low- and very-low-income families. H.R. 1276 would authorize \$200 million for each of fiscal years 2004 and 2005 for downpayment assistance grants.

An eligible jurisdiction could also use the grant funds for downpayment assistance to uniformed employees (such as policemen, firemen, and sanitation workers) or teachers who are employees of the participating jurisdiction (or an agency or school district serving such jurisdiction), subject to certain income limitations (detailed in the bill).

For a jurisdiction to be eligible to receive the grant funds, it would have to:

- submit to HUD a plan for conducting targeted outreach to residents and tenants of public housing, trailer parks, and manufactured housing, and to other families assisted by public housing agencies (so that such families could receive downpayment assistance); and
- ensure the suitability of families provided downpayment assistance to actually undertake and maintain homeownership.

Eligible families could not have incomes greater than 80% of the area median income. To see income limits for a specific area, visit this website:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/2003/index.cfm>

The HUD Secretary would be directed to establish the formulas under which grants are allocated and reallocated, and the downpayment grants would not come from funds provided generally under the HOME Program.

Additional Background: According to the Financial Services Committee, each low-income family would be given an average of \$5,000 toward downpayment and closing costs. More than 500 states and local jurisdictions would be eligible to receive the grant funding.

Existing federal housing programs include:

1) HUD's formula-based programs and Section-8 housing contract renewals total about \$30.2 billion and are spread across the following programs:

- Community Development Block Grant (CDBG) Program
- Economic Development Loan Guarantee (Section 108)
- HOME Investment Partnerships Program
- Housing Choice Voucher Contract Renewals
- Competitive Allocation Area Voucher Funding Program
- Public Housing Operating Fund
- Public Housing Capital Fund Program (CFP)
- Indian Housing Block Grant (IHBG) Program
- Native Hawaiian Housing Block Grant (NHHBG) Program
- Emergency Shelter Grants (ESG) Program
- Housing Opportunities for Persons With AIDS (HOPWA)—Formula
- Fair Housing Assistance Program (FHAP)
- Federal Housing Administration (FHA) Homeownership Programs
- Indian Home Loan Guarantees (Section 184)
- Native Hawaiian Housing Loan Guarantee Fund (Section 184A)
- Title VI Loan Guarantee Program

2) HUD also maintains several competitive grant programs (valued at about \$2.0 billion), including (but not limited to):

- Housing Opportunities for Persons With AIDS (HOPWA)--Technical Assistance
- Fair Housing Initiatives Program (FHIP)
- Housing Counseling Program (HCP)
- Operation Lead Elimination Action Program (LEAP)
- HOPE VI Revitalization Grants
- HOPE VI Demolition Grants
- Lead Hazard Reduction Demonstration Program
- Predevelopment Grants—Section 202 Supportive Housing for the Elderly
- Community Development Block Grant for Indian Tribes and Alaskan Native Villages
- Permanent Housing and Special Efforts for Subpopulations Technical Assistance (PHASES TA)
- Collaborative Initiative to End Chronic Homelessness (CIECH)

For additional information from HUD, visit this website:
<http://www.hud.gov/offices/adm/grants/nofa/guidebook/guidebk03.doc>

Committee Action: On May 7, 2003, the Subcommittee on Housing and Community Opportunity marked up and forwarded the bill to the full Financial Services Committee by voice vote. On May 21st, the Committee marked up and favorably reported the bill to the full House by voice vote.

Administration Position: This legislation mirrors a Bush Administration initiative and is accounted for in the President's FY2004 budget. To read the testimony of HUD Secretary Mel Martinez before the Financial Services Committee's Housing Subcommittee, go to this website:
<http://financialservices.house.gov/media/pdf/040803mm.pdf>

Cost to Taxpayers: CBO confirms that H.R. 1276 as reported would authorize \$200 million in FY2004 and a total of \$400 million over the FY2004-FY2008 period.

Does the Bill Create New Federal Programs or Rules?: Yes—a new federal grant program for downpayment assistance.

Constitutional Authority: The Financial Services Committee, in House Report 108-164, cites constitutional authority in Article 1, Section 8, Clause 1 (**general** welfare of the United States), and Clause 3 (regulate interstate commerce).

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H.R. 2608—National Earthquake Hazards Reduction Program Reauthorization Act (Smith of Michigan)

Order of Business: The bill is scheduled to be considered on Wednesday, October 1st, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2608 would reauthorize the National Earthquake Hazards Reduction Program, which was created in 1977 (Public Law 95-124). The Program is a multi-agency program at the Federal Emergency Management Agency (FEMA), U.S. Geological Survey (USGS), National Science Foundation (NSF), and National Institute of Standards and Technology (NIST). Up until now, FEMA has coordinated the overall program, while USGS, NSF, and NIST share research responsibilities (with NIST focused on building code improvements). NIST would now head the Program under H.R. 2608, as detailed below. The focus of the Program would continue to be less on earthquake prediction and more on the retrofitting and rehabilitation of buildings, risk assessment, public education, and building code development.

H.R. 2608 would reauthorize the Program for FY2004 through FY2006 (and through FY2008 in a certain case) at the following levels (in millions):

| | | | | |
|-------------|-------------|-------------|-------------|-------------|
| <u>FY04</u> | <u>FY05</u> | <u>FY06</u> | <u>FY07</u> | <u>FY08</u> |
|-------------|-------------|-------------|-------------|-------------|

| | | | | | |
|---------------|----------------|----------------|----------------|----------------|----------------|
| FEMA | \$19.0 | \$21.0 | \$23.0 | -- | -- |
| USGS | \$80.0 | \$83.5 | \$93.0 | \$96.0* | \$99.0* |
| NSF | \$47.0 | \$64.0 | \$67.5 | -- | -- |
| NIST | \$8.0 | \$9.6 | \$12.5 | -- | -- |
| TOTALS | \$154.0 | \$178.1 | \$196.0 | \$96.0* | \$99.0* |

*These figures are CBO estimates. The text of H.R. 2608 only authorizes “such sums as may be necessary” for FY2007 and FY2008. For the other years, authorizations for the Advanced National Seismic Research and Monitoring System have been rolled into (as earmarks) the agency authorizations above. Authorizations for the Network for Earthquake Engineering Simulation are counted above in the NSF line.

H.R. 2608 would also amend the existing Program as follows:

- Elaborates on the Programs required activities to:
 - develop effective measures for earthquake hazards reduction;
 - promote the adoption of such measures by federal, state, and local governments, national standards and model code organizations, architects and engineers, building owners, and other relevant individuals (through grants, contracts, cooperative agreements, technical assistance, standards and guidelines development, and the development of a central repository of shared information); and
 - improve the understanding of earthquakes and their effects on communities, buildings, structures, and lifelines (through interdisciplinary research).

- Establishes an Interagency Coordinating Committee, composed of the directors of NIST (chair), FEMA, USGS, NSF, the Office of Science and Technology Policy, and the Office of Management and Budget (OMB). The Committee would oversee, plan, manage, and coordinate the Program and develop a strategic plan for the Program. The Committee would have to develop the Program’s coordinated, interagency budget for OMB each year and submit to Congress an annual report on the Program’s budget, activities, and effectiveness.

- Establishes an Advisory Committee of non-federal members representing research and academic institutions, industry, standards development organizations, state and local governments, and relevant financial communities. The Committee would assess trends and developments in earthquake hazards reduction science and engineering, the effectiveness of the Program, the need to revise the Program, and the management, coordination, and implementation of the Program. The Committee would have to report its findings to Congress one year after this bill’s enactment, and at least once every two years thereafter.

- Makes NIST (formerly FEMA) in charge of overall coordination of the Program. (NIST would not have to submit a strategic plan or assessment report, as FEMA did. Such responsibilities would be moved over to the Committees described above.) Redesignates NIST and FEMA responsibilities as necessary.

- Assigns the USGS the new responsibilities of coordinating Program activities with similar earthquake hazards reduction efforts in other countries (so that the Program might benefit from the experiences in those countries) and of maintaining suitable seismic hazard maps.
- Directs NSF to focus more on supporting research that improves the safety and performance of buildings, structures, and lifelines using large-scale experimental and computational facilities.
- Also directs NSF to support earthquake-hazard-related research that includes “diverse institutions, including Historically Black Colleges and Universities and those serving large proportions of Hispanics, Native Americans, Asian-Pacific Americans, and other underrepresented populations.”

Committee Action: On July 22, 2003, the Science Committee marked up and favorably reported the bill to the House floor by voice vote. The Resources Committee discharged the bill on August 14, 2003.

Cost to Taxpayers: CBO confirms that H.R. 2608 would authorize a total of \$154 million in FY2004 and \$725 million over the FY2004-FY2008 period. CBO notes that the Program’s total authorization level for FY2003 was \$111 million.

Does the Bill Create New Federal Programs or Rules?: The bill would essentially reauthorize existing law, though it would create two new committees and adjust certain provisions, as detailed above.

Constitutional Authority: The Science Committee, in House Report 108-246, cites constitutional authority in Article I, Section 8, but fails to cite a specific authorizing clause.

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H.R. 1260—Animal Drug User Fee Act of 2003 (Upton)

Order of Business: The bill is scheduled to be considered on Wednesday, October 1, 2003, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1260 amends the Food, Drug, and Cosmetic Act (21 U.S.C. 379f) to authorize the assessment and collection of fees by the Food and Drug Administration (FDA) relating to the review of new animal drugs. The fees would be retroactive from September 1, 2003, and would be assessed annually, until the fee system sunsets on October 1, 2008.

The bill sets the total fees that should be collected (to be adjusted to inflation):

- **For application and supplemental fees at:** \$1.25 million in FY04, \$2 million in FY05, \$2.5 million in FY06, 07, and 08.

- **For product fees** at \$1.25 million in FY04, \$2 million in FY05, \$2.5 million in FY06, 07, and 08.
- **For establishment fees** at \$1.25 million in FY04, \$2 million in FY05, \$2.5 million in FY06, 07, and 08.
- **For sponsor fees** at \$1.25 million in FY04, \$2 million in FY05, \$2.5 million in FY06, 07, and 08.

The funds generated from these fees are to be used in expediting the new animal drug review process, in accordance with performance goals that the FDA is authorized to develop in consultation with the industry. H.R. 1260 stipulates that fees shall only be collected and available to defray costs associated with this animal drug applications process (including costs for an additional number of full-time employees at HHS to handle this process).

The Secretary is authorized to waive fees under certain conditions, including if the sponsor is a small business submitting its first animal drug application.

The bill includes requirements for a yearly performance report to Congress and a yearly fiscal report, beginning in FY2004 and sunseting 120 days after October 1, 2008.

Additional Information: According to the Committee, the Prescription Drug User Fee Act of 1992, Public Law 102-571, required FDA to conduct a study to evaluate whether, and under what conditions, to impose user fees to supplement appropriated funds in order to improve the process of reviewing applications for new animal drugs under the Federal Food, Drug, and Cosmetic Act. The 1994 report to Congress noted that if Congress were to consider legislation authorizing the FDA to impose and collect user fees, approximately \$11 million would need to be collected annually.

Committee Action: H.R. 1260 was introduced on March 13, 2003 and referred to the Committee on Energy and Commerce, from where it was reported by voice vote on September 10, 2003.

Cost to Taxpayers: The bill authorizes the appropriation of \$5 million for FY2004; \$8 million for FY2005; \$10 million for FY 2006; \$10 million for FY2007; and \$10 million for FY2008 for these new fees. Because the spending of new fees would lag behind their collection, CBO estimates that implementing H.R. 1260 would reduce net outlays by \$4 million over the FY04-08 period, subject to appropriations. The bill would impose private-sector mandates on manufacturers of new animal drugs, by requiring them to pay fees to the Food and Drug Administration, but the cost of the mandates would not exceed the \$117 million annual threshold specified in UMRA in any of the first five years that the mandates would be effective.

Does the Bill Create New Federal Programs or Rules?: Yes, the bill establishes a new fee system at the FDA for new animal drugs and requires, for five years, an annual performance report and an annual fiscal report to Congress.

Constitutional Authority: The Energy and Commerce Committee (in Report No. 108-287) finds authority under Article I, Section 8, Clause 3, which grants Congress the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

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H.R. 3038—Health Care Safety Net Amendments Technical Corrections Act of 2003 (Bilirakis)

Order of Business: The bill is scheduled for consideration on Wednesday, October 1st, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3038 makes primarily technical and conforming changes to the Health Care Safety Net Amendments Act of 2002 (P.L. 107-251). Other changes of note are as follows:

- Makes telemedicine incentive grants part of the Public Health Service Act;
- Adds back language deleted by the Health Care Safety Net Amendments Act of 2002 allowing the Department of Health and Human Services to provide technical assistance either through grant or contract; and
- Clarifies that federally qualified community health centers may be designated as health professional shortage areas upon date of designation, not the date of the enactment of the law.

Additional Background: The Health Care Safety Net programs are targeted at medically underserved populations in rural and urban areas. Programs include community health centers, the National Health Service Corps, and the Healthy Communities Access Program.

The Health Care Safety Net Amendments Act of 2002 passed the House of Representatives on October 16, 2002, by a vote of [392-5 \(Roll Call #466\)](#). The five “no” votes included RSC members. The bill was signed into law on October 26th. Click here to view the Legislative Bulletin for that bill <http://www.house.gov/burton/RSC/Lb101602.pdf>.

Committee Action: The Energy and Commerce Committee favorably reported H.R. 3038 to the full House by voice vote on September 10, 2003.

Cost to Taxpayers: CBO estimates that the bill will have no impact on the federal budget.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: The Energy and Commerce Committee, in House Report 108-275, cites Article I, Section 8, Clause 3 (commerce clause).

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H.R. 3034—National Bone Marrow Donor Registry Reauthorization Act (Young of Florida)

Order of Business: The bill is scheduled for consideration on Wednesday, October 1st, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3034 reauthorizes the National Bone Marrow Donor Registry, first established in 1986 (P.L. 100-607).

Major changes in the bill are as follows:

- Authorizes the appropriation of \$32 million for fiscal year 2004 and “such sums” for fiscal years 2005-2008 (the House-passed Labor/HHS/Education appropriations bill included \$22.9 million for FY04);
- Allows board members to serve a fourth consecutive two-year term if the board member has no conflict of interest with a donor center, transplant center, recruitment group, or cord blood bank;
- Directs the registry to maintain and expand medical response capabilities (in cooperation with federal programs) to respond to terrorist threats that may damage bone marrow;
- Requires the registry to conduct and support research to improve the availability, efficiency, safety, and cost of transplants from unrelated donors and the effectiveness of registry operations;
- Requires the registry to update “at least annually” information on potential bone marrow donors (current law states only “annually”);
- Directs the registry to increase the number of umbilical cord blood units listed in the registry and assist cord banks in the registry program;
- Requires the registry to establish procedures prohibiting members of the board of directors from participating in any decision affecting a donor center, transplant center, recruitment group, or cord blood bank with which that member has an affiliation and to limit members with such affiliations;
- Directs the registry to provide information to physicians, other health care professionals, and the public regarding transplants from unrelated donors;
- Permits private nonprofits to enter into contracts with the registry. In awarding contracts, the Secretary of HHS must give “substantial weight” to the continued safety of donors and patients;
- Requires the bone marrow scientific registry to participate in medical research that has the potential to improve transplant outcomes; and
- Requires the bone marrow scientific registry to make relevant scientific information (that does not contain personally identifiable information) available to the public.

Additional Background: The National Bone Marrow Donor Registry is a system for finding marrow donors that suitably match to unrelated recipients for bone marrow transplantation. The registry was last reauthorized in 1998. Currently, HHS contracts with the National Bone Marrow Donor Program, a non-profit organization in Minnesota, to operate the registry.

Committee Action: The Energy and Commerce Committee favorably reported H.R. 3034 to the full House by voice vote on September 10, 2003.

Cost to Taxpayers: CBO estimates H.R. 3034 would cost \$10 million in 2004 and \$145 million over the 2004-2008 period, subject to appropriations.

Does the Bill Create New Federal Programs or Rules?: The bill does not create new programs but does create new rules for the National Bone Marrow Donor Registry.

Constitutional Authority: The Energy and Commerce Committee, in House Report 108-276, cites Article I, Section 8, Clause 3 (commerce clause).

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H.Con.Res. 271 — Congratulating Fort Detrick on 60 years of services to the United States (Bartlett)

Order of Business: The bill is scheduled to be considered on Wednesday, October 1, 2003, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 271 has 21 findings regarding Fort Detrick, which celebrated the anniversary of its founding on April 10, 2003. According to the resolution, Fort Detrick has been home to preeminent researchers in bacteriology, microbiology, clinical and preventative medicine, biochemistry, neurology, botany, virology, and genomics and the research program at Fort Detrick pioneered the laboratory facility designs, equipment, and procedures that are used for infectious disease research in laboratories worldwide.

H.Con.Res. 271 resolves that the House of Representatives, the Senate concurring:

- congratulates Fort Detrick on 60 years of service to the United States;
- commends all those at Fort Detrick who have labored so diligently to defend the United States against biological and chemical attack; and
- commends all those at Fort Detrick who have labored to develop vaccines for all types of illnesses.

Committee Action: H.R. 2075 was introduced on September 4, 2003, and referred to the Armed Services Committee, which did not consider the resolution.

Cost to Taxpayers: None.

Does the Bill Create New Federal Programs or Rules?: No.

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